

2019-P00102

COMMONWEALTH OF PUERTO RICO
PUERTO RICO ELECTRIC POWER AUTHORITY

CONTRACT

APPEAR

AS FIRST PARTY: The Puerto Rico Electric Power Authority (PREPA), a public corporation and government instrumentality of the Commonwealth of Puerto Rico, created by Act of May 2, 1941, No. 83, as amended, represented in this act by its Chief Executive Officer/ Executive Director, José F. Ortiz Vázquez, of legal age, married and resident of San Juan, Puerto Rico.

AS SECOND PARTY: MasTec Renewables Puerto Rico, LLC (Contractor), a Limited Liability Company formed and existing under the laws of Puerto Rico, with a place of business at San Juan, Puerto Rico, herein represented by its Executive Program Manager, J.R. (Rick) Roton of legal age, married, and resident of Houston, Texas, who has authority to enter into this contract by virtue of Corporate Resolution dated of April 3, 2019.

WITNESSETH

WHEREAS, PREPA, by virtue of its enabling act (Act 83), has the authority to engage those professional, technical and consulting services necessary and convenient to the activities, programs, and operations of PREPA;

WHEREAS, Pursuant Section 205 (2) (f) of Act No. 83 a competitive bidding shall not be necessary when in the judgment of the Governing Board, a competitive request for proposal (RFP) process for the acquisition of goods, equipment, materials or services must be carried out to encourage greater competition, reduce the risk of collusion and

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promote the best possible terms and conditions in benefit of greater savings and reduction of costs and operational expenses of PREPA.

WHEREAS, on January 30, 2019, PREPA's Governing Board authorized the Project Management Office to proceed with the issuance of an RFP to award several streetlight contracts, as needed by PREPA through Resolution 4673.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained in this Contract, and other good and valuable consideration, the parties have agreed to enter into this Contract under the following:

Terms and Conditions

ARTICLE 1: Scope of Contract

The Contractor shall complete an orderly repair of PREPA's streetlights. All work will be done in close coordination with PREPA personnel. Contractor shall provide labor, equipment and any incidental work necessary to completely repair existing, hurricane-damaged, streetlights assigned by PREPA. Contractor shall comply with all applicable environmental laws and regulations regarding handling of hazardous substances and shall take appropriate measures to ensure the safe handling of such substances as they may be encountered during in the performance of the works. All in strict accordance with the provisions of this Contract, RFP 86952 Repair of Streetlight Lamps, Proposal Forms, Contractor's Bidding Proposal (attached hereto as Appendix A) and the Federal Labor Standards Provisions at HUD Form 4010 (attached hereto as Appendix B) all of which are hereby made a part.



ARTICLE 2: Definitions

Whenever the words defined in this article or pronouns used instead are mentioned in this Contract, they shall have the meanings here given:

- 1) Engineer - shall mean the Transmission and Distribution Director of PREPA, acting directly or through his properly authorized representatives.
- 2) Contracting Officer - shall mean the Executive Director of PREPA, acting directly or through his properly authorized representatives.
- 3) Contract - shall mean collectively, all the covenants, terms, and stipulations in these articles of agreement and in all supplementary documents hereto attached which constitute essential parts of the Contract and are hereby made part thereof, to wit:
 - Contract
 - RFP-86952 documents, including, but not limited to, special conditions and technical specifications, Contractors proposal, and any other document expressly referenced in this Contract Performance, and Payment Bonds
 - Letter of Award
- 4) Change order - A written agreement between the parties that sets out changes in price, time, or scope of work to the Contract, which has been approved by the appropriate official pursuant to the general authorization for approval.

ARTICLE 3: Consideration

In accordance with the terms and conditions contained herein, PREPA agrees to pay and the Contractor accepts, that the Contract Price shall not exceed \$5,706,521.74 subject to the terms and conditions, providing for possible written amendment (s) agreed upon by the parties. All payments to be made under this Contract will be charged to account



number 01-4024-67000-550-474 and 01-4025-69300-550-474. PREPA will only pay for Services already rendered before the submitted invoice date. PREPA will not be required to make advance payments for any future service to be rendered by Contractor under the Contract. Contractor shall submit monthly invoices within the first thirty (30) days following the period invoiced which will include a description of the services rendered as per established in the RFP-86952. Each invoice shall be itemized and must be duly certified by an authorized representative of the Contractor.

PREPA will review the invoices and if they are in compliance with the requirements set forth in the Contract, PREPA will proceed with payment within sixty (60) days of the approval of invoice. Payment is due upon approval of a valid invoice. PREPA reserves the right to conduct the audits it deems necessary, and it will not be subject to finance charges regarding invoice payments.

All invoices submitted by the Contractor shall include the following Certification in order to proceed with its payment.

- No Interest Certification:

Under penalty of absolute nullity, I hereby certify that no employee, official or director of PREPA is a party or has been granted any interest or payment by Consultant in the profits or benefits to be obtained under this Contract by Consultant or if any employee, official or director of PREPA has any interest in the profits or benefits under this Contract a waiver has been previously obtained. I, also certify that the only consideration to provide the services under this Contract to Consultant is the payment agreed with PREPA's authorized representative. The total amount of this invoice is fair and correct. The services were provided and no payment has been received for said concept.

Contractor's Signature

This is an essential requirement and those invoices without this Certification will not be processed for payment. In order to comply with the certification requirements set forth



above, Contractor shall require that subcontractors providing Services also make the certification set forth above in any invoices submitted in connection with the Services.

The Contractor shall immediately notify PREPA when the billing under the Contract amounts seventy-five percent (75%) of the maximum amount under the Contract. Once this notification has been issued, the Contractor, in coordination with PREPA, will ensure that no services will be rendered in excess of the contract price, except that a written amendment is agreed upon by both parties. In addition, the Contractor shall present an itemized list of the remaining billable works under the Contract.

All invoices have to be sent to the following address:

Puerto Rico Electric Power Authority,
Accounts Payable Section,
PO Box 70253,
San Juan, Puerto Rico 00936-0253

The Contractor shall not request any payment for Services rendered under the terms of this Agreement until it has been registered by PREPA at the Office of the Comptroller of Puerto Rico as established in Act 18-1975, as amended. PREPA undertakes to register this Agreement pursuant to such Act within fifteen (15) days after the execution of this Agreement.

ARTICLE 4: Commencement and Completion of Work

4.1 Inspection and Delivery

All works shall be completed as per Schedule of Proposed Progress from the commencement date for all work to be performed. The commencement date will be the beginning date stated on the letter of mobilization.

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4.2 Schedule of Proposed Progress

The Contractor, within five (5) days after receipt the mobilization letter, shall file with the Engineer a schedule of proposed progress of the work and the recommended method of carrying on the work. This progress chart and statement of operations shall show the dates of commencement and completion of each item of the work.

If said schedule and/or method of carrying on the work are not satisfactory to the Engineer, they shall be revised by the Contractor to provide for the use of adequate and sufficient equipment and force, and a method of operations, which will assure the completion of the work within the Contract time. This information, when the Engineer has approved it all, shall become a part of this Contract.

4.3 Contract Term

This Contract shall be in effect from the date of its execution until June 30, 2019 (the "Contract Period"). The Contract may be extended, at the exclusive option of PREPA, for one (1) annual fiscal period subject to the availability of funds.

ARTICLE 5: Suspension of Work

5.1 PREPA may, at any time, suspend the whole or any portion of the work under this Order, by providing Contractor with a written notice stating the reasons for suspension at least five (5) days in advance of the day the suspension shall take effect. The right of PREPA to suspend the work shall not be construed as denying the Contractor all actual, reasonable and necessary costs and expenses due to the delays caused by such suspension.

5.2 Either Party may suspend the whole or any portion of the work under this Order by reason of the occurrence of a Force Majeure event as described in Article 8 herein.



For the avoidance of doubt, PREPA shall not be required to pay for such costs and expenses if the suspension is requested by PREPA by reason of a Force Majeure Event, as defined in Force Majeure Article 8, herein.

5.3 In case of suspension of the work by PREPA for any reason, or in case the work is suspended in whole or in part due to the occurrence of a Force Majeure event, Contractor's obligations shall be extended for a period of time reasonably necessary to overcome the effects of any such suspension. In case of suspension of the work by PREPA for any reason, Contractor is relieved for any and all obligations with respect to the work as contemplated under this Contract.

5.4 If the suspension extends for more than 60 days, the Contractor shall have the right to terminate the contract in accordance with these terms and conditions.

5.5 In case of suspension of the work by PREPA for any reason, Contractor shall be reimbursed for cost for 1) stand-by charges incurred during the suspension of work to compensate Contractor for keeping its organization and equipment committed specifically to the suspended work; 2) all reasonable costs incurred by Contractor for mobilization and demobilization; and 3) all actual and direct costs incurred protecting and preserving any portion of the work.

ARTICLE 6: Inspection

During the progress of work, PREPA Representative shall make regular inspections to ensure Contractor compliance with the specifications.

Job sites shall be marked with cones and signs visible from the nearest road to identify crew location.



All work performed by the Contractor is subject to inspection and approval by PREPA. Any work not meeting PREPA or generally accepted or turned in falsely will be redone at no cost to PREPA. If subsequent inspections are required after the initial follow up the actual cost shall be billed to Contractor. The presence of PREPA personnel shall not in any way alter, modify, or lessen the obligation of the Contractor to comply with the requirements of this Contract. Any inspection by PREPA personnel shall not be considered as an acceptance of waiver of warranty or other rights of the work inspected. The Contractor shall promptly correct all work deemed by PREPA as failing to conform to the specifications. The Contractor shall promptly remedy the lack of performance and execute the work in accordance with the specifications, without expense to PREPA. If the Contractor shall fail to correct work deemed by PREPA as failing to comply with the construction standards or project drawings/specifications within ten (10) days after notice has been given to the Contractor, PREPA may correct such work at the expense of the Contractor. Such expense may be deducted by PREPA from any payments due or to become due to the Contractor or, if final payment has been made, the Contractor shall reimburse PREPA such amounts.

ARTICLE 7: Access to Work

The Contractor shall permit all persons appointed or authorized by PREPA to visit and inspect the work or any part thereof at all times and places during the progress of same.

The Contractor, its employees, officers, directors, agents, subcontractors, and representatives are authorized to access and enter into PREPA service areas, right-of-way, and/or easements, including through private land when necessary and authorized by PREPA, to carry out the work object of this Contract. PREPA will cooperate when



necessary in any coordination of access needed through private land subject to the PREPA's easements to carry out the corresponding work.

ARTICLE 8: Force Majeure

8.1 Notwithstanding anything to the contrary herein contained, it is agreed that either party hereto will be relieved of its obligations hereunder in the event and to the extent that performance hereof is delayed or prevented by any cause beyond its control and not caused by the party hereto claiming relief hereunder, including, without limitation, acts of God, public enemies, war, insurrection, acts or orders of governmental authorities, fire, flood, explosion, riots, strikes or the recovery from such cause ("force majeure"). Contractor agrees that where relief is obtained under this Article, Contractor shall make its best efforts to resume Service and, where applicable, to meet the applicable timetable for the services. Contractor shall be entitled to an extension of time for any such force majeure delay and their related impact.

8.2 Notice of Failure - Contractor agrees to consult with and advise PREPA of any anticipated delay or failure, as soon as it becomes aware of such anticipated delay or failure or the possibility thereof, whether for force majeure or not, and, where applicable, the re-establishment of applicable timetables.

ARTICLE 9: Insurance and Bonds

The Contractor shall secure and maintain in full force and effect during the life of this Contract as provided herein, policies of insurance covering all operations engaged in by the Contract as follows:



A. Commonwealth of Puerto Rico Workmen's Compensation Insurance

The Contractor shall provide Workers Compensations Insurance as required by the Workmen's Compensation Act 45- 1935 of the Commonwealth of Puerto Rico. The Contractor shall be responsible for compliance with said Workmen's Compensation Act by all his subcontractors, agents, and invitees, if any.

The Contractor shall furnish PREPA a certificate from the State Insurance Fund showing that all personnel employed in the work are covered by the Workmen's Compensation Insurance, in accordance with this Contract.

B. Employer's Liability Insurance

The Contractor shall provide Employer's Liability Insurance with minimum bodily injury limits of \$1,000,000 for each employee and \$1,000,000 for each accident, covering against the liability imposed by Law upon the Contractor as a result of bodily injury, by accident or disease, including death arising out of and in the course of employment, outside of and in the course of employment, and outside of and distinct from any claim under the Workmen's Compensation Act of the Commonwealth of Puerto Rico.

C. Commercial General Liability Insurance

The Contractor shall provide a Commercial General Liability Insurance with limits of \$1,000,000 per occurrence and \$1,000,000 aggregate.

D. Automobile Liability Insurance

The Contractor shall provide a Commercial Automobile Liability Insurance with limits of \$1,000,000 combined single limit covering all owned, non-owned and hired automobiles.



Requirements under the Policies:

The Commercial General Liability and Commercial Automobile Liability Insurance required under this contract, shall be endorsed to include:

a. As additional insured:

Puerto Rico Electric Power Authority (PREPA)
Risk Management Office
PO Box 364267
San Juan, PR 00936-4267

b. A 30 days cancellation or nonrenewable notice to be sent to the above address.

c. An endorsement including this Contract under contractual liability coverage and identifying it in number, date and parties to the contract.

d. Waiver of Subrogation in favor of Puerto Rico Electric Power Authority (PREPA).

e. Breach of Warranties or Conditions:

"The breach of any of the Warranties or Conditions in this policy by the Insured shall not prejudice PREPA's rights under this policy."

Bonds:

As a Contract security, the Contractor shall furnish at the time of the execution of the Contract:

1. A Performance Bond in the amount of one hundred percent (100%) of the Contract price, with good and sufficient surety satisfactory to PREPA guaranteeing that the Contractor will well and faithfully perform the Contract work.

2. A Payment Bond in the amount of one hundred percent (100%) of the Contract price, with good and sufficient surety satisfactory to PREPA to guarantee the prompt payment of all labor, supervision, equipment and materials required in the performance of the work.
3. All bonds shall be issued in the official form of PREPA.

Furnishing of Policies:

All required policies of insurance shall be in a form acceptable to PREPA and shall be issued only by insurance companies authorized to do business in Puerto Rico. The Contractor shall furnish a certificate of insurance in original signed by an authorized representative of the insurer in Puerto Rico, describing the coverage afforded.

ARTICLE 10: Independent Contractor

- 1) PREPA and the Contractor agree that Contractor's status hereunder and the status of any agents, employees and subcontractors engaged by the Contractor shall be that of an independent contractor only and not that of an employee, agent, director or officer of PREPA nor shall they be considered a public servant of neither PREPA nor the Commonwealth of Puerto Rico. The Contractor recognizes that its personnel shall not be entitled to employment benefits such as vacations, sick leave, retirement benefits and other benefits from PREPA because of its condition as an independent contractor. Neither the Contractor nor its personnel shall have any power or right to enter into contracts on behalf of PREPA. No provision of this Contract shall be deemed to create an employment relationship between Contractor or his employees and PREPA.



- 2) The employees of Contractor engaged in performing services hereunder will be considered employees of Contractor for all purposes and will under no circumstances be deemed to be employees of PREPA. PREPA will have no supervisory power or control over any such Contractor's employees and any complaint or change in procedure will be communicated transmitted by PREPA to Contractor who will in turn promptly give any necessary instructions to its own personnel.
- 3) Contractor will be responsible for the direct supervision of its employees through its designated representative and such representative will in turn, report to and confer with the designated agents of PREPA with respect to the services.
- 4) Contractor agrees to assume full and complete responsibility for any and all liability to its employees on account of injury, disability, and death resulting from, or sustained by said employees in the performance of the services defined herein.
- 5) At PREPA's request, Contractor will immediately remove from service any employee whose acts or omissions will be a violation of applicable law or constitute a breach of this.
- 6) Both parties agree to accept full and exclusive liability for the payment of any and all taxes, contributions, and other payments for unemployment compensation and/or pension benefits, Worker's Compensation, employers liability insurance or annuities now or hereafter imposed upon employers as applicable to them with respect to its employees and each party will make such payments and will make and file any and all reports and returns and take all other actions do all other things necessary to comply with the laws imposing such taxes, contributions, or other payments.



- 7) Contractor represents and warrants that the employees used in the performance of the services hereunder will have the qualifications, skills and experience necessary to perform the services and will have the work records as represented to PREPA.
- 8) In the performance of the Contract, Contractor will comply with all applicable statutes, regulations, ordinances pertaining to nondiscrimination in employment and facilities.

Contractor agrees to hold PREPA harmless and to indemnify and defend PREPA in full for any and all damages, claims, assessments, penalties, liabilities, charges, attorney's fees or other losses incurred during or following the term of this Contract, which result from any assertion, claim, determination or adjudication that Contractor or any of its employees are employees of PREPA, including, but not limited to, any claim, determination or adjudication made pursuant to the Internal Revenue Code, any of Puerto Rico Unemployment laws and regulations, Compensation Law, or any other federal, state or local wage, employment, insurance, labor and other laws, statutes, regulations and ordinances.

ARTICLE 11: Termination

- 1) PREPA may terminate this Contract (or any portion thereof) for any cause if Contractor (i) becomes insolvent, or (ii) substantially breaches the service obligation, which does not otherwise have a specified contractual remedy, and fails to cure the breach within thirty (30) days of notice from PREPA; or fails to commence to cure the breach and diligently proceed with the cure if it is not possible to cure within thirty (30) days of such notice. If PREPA terminates the Contract, PREPA shall pay to the Contractor all portions of the work completed. Moreover, PREPA shall have the right to terminate this Agreement immediately in the event of gross negligence, dereliction of duties or



noncompliance by Contractor. In the event of PREPA's termination for cause as described above, Contractor shall recover from PREPA, as complete settlement for such termination, the payment for any work performed by Contractor prior to notice of termination by PREPA and all costs and expenses incurred for demobilization costs and termination fees for facility/yard leases in Puerto Rico and duly evidenced through the date of termination as calculated pursuant to Contractors Proposal. Contractor shall provide all evidence to PREPA's approval of final invoice.

- 2) Either party shall have the right to terminate this Contract, at any moment, for any or no reason, by providing the other party thirty (30) days written notice by registered mail, return receipt requested, or overnight express mail. If notice is given, this Contract shall terminate upon the expiration of thirty (30) days and PREPA shall be obligated to pay all fees and expenses incurred up to the day of effective termination, in accordance with the terms of this Contract. If PREPA terminates the Contract under Article 11.2, PREPA shall pay to the Contractor all portions of the work completed and all costs and expenses incurred for demobilization costs and termination fees for facility/yard leases in Puerto Rico, and duly evidenced through the date of termination as calculated pursuant to Contractors Proposal. Contractor shall provide all evidence to PREPA's approval of final invoice. The rights, duties and responsibilities of the Parties shall continue in full force and effect during the thirty (30) day notice period. Contractor shall have no further right to compensation except for what has been accrued for services rendered under this Agreement until said date of effective termination.



- 3) The exercise of its right to terminate, cancel or rescind the Contract shall not be understood as a waiver by PREPA to any other remedy it may have under this Contract or under the law for delays or breach incurred by the Contractor in the performance of its obligations under the Contract.
- 4) If PREPA terminates the Contract for cause in accordance with Article 11.1, PREPA may take possession and finish the work by whatever method it may deem expedient. In such a case, the Contractor shall not be entitled to receive any further payment until the work is finished. If the unpaid balance of the Contract price shall exceed the expense of finishing the work, including compensation for additional managerial and administrative services, such excess shall be paid to the Contractor. If such expense shall exceed such unpaid balance, the Contractor shall pay the difference to PREPA of the expenses incurred by PREPA as herein provided. The remedies established in this Article 11, Termination, shall be each Party's sole and exclusive remedies by reason of such termination.

ARTICLE 12: Permits and Licenses

The Contractor shall obtain and maintain all the licenses, permits, and authorizations required to perform all services and tasks under this Contract, and shall send all notices, pay all fees and related costs, and will comply and will have its subcontractors and agents comply with all laws, ordinances, rules, and regulations applicable to the work.

ARTICLE 13: Minimum Wage Rates

Laborers and other employees engaged under this Contract shall be paid not less than the minimum wages rates prescribed by law. PREPA may withhold from any monies due



to the Contractor any sum necessary to make up the full amount of wages due under this Contract and may distribute it directly to those entitled thereto hereunder.

ARTICLE 14: Contingent Fees

The Contractor guarantees that he has not employed any person to solicit or secure this Contract upon any agreement for a commission percentage, brokerage or contingent fee. Breach of this guarantee shall give PREPA the right to annul the Contract or, at its discretion to deduct from the Contract price or consideration the amount of such commission, percentage, brokerage or contingent fees. This guarantee shall not apply to commission's payable by contractors upon contract or sales secured or made through bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business.

ARTICLE 15: Other Contracts

PREPA may award other contracts for additional work, and the Contractor shall fully cooperate with such other contractors of this Contract, and carefully fit his own work to that provided under other contracts as may be directed by the Contracting Officer. The Contractor shall not commit or permit any acts which interfere with the performance of work by any other Contractor.

ARTICLE 16: Official not to Benefit

No officer, employee or agent of PREPA, or of the Government of the Commonwealth of Puerto Rico or Municipal Governments, shall be admitted to any share or part of this Contract or to any benefit that may arise there from, but this provision shall not be construed to extend to this Contract if made with a corporation for its general benefit.



In addition to the restrictions and limitations established under the provisions of Act 1-2012, as amended, retired or former officers or employees of PREPA, whose work was in any way related to the award or management of contracts, shall in no way benefit from any contract with PREPA for a period of two (2) years after leaving employment with or ceasing services to PREPA.

ARTICLE 17: Conflict of Interest

The Contractor certifies that none of its representatives under this Agreement receive payment or compensation of any nature, for services rendered regularly through an appointment to a governmental agency, body, public corporation or municipality of Puerto Rico. The Contractor also certifies that he may have consulting services contracts with other governmental agencies or bodies, but such condition does not constitute a conflict of interest for the Contractor.

The Contractor acknowledges that in executing the services pursuant to Agreement it has a duty of complete loyalty towards PREPA which includes not having adverse interests to those of PREPA related to the services. Those adverse interests include representation of clients which have or may have opposed interests to those of PREPA in relation to the services. Also, the Contractor shall have the continuous obligation to disclose to PREPA all information and circumstances of its relations with clients and third persons and any interest which could reasonably influence PREPA when executing this Agreement or during its term.

- 1) The Contractor represents conflicting interests when on behalf of a client he must contend for that which it is his duty to oppose to comply with its obligations with another previous, present or potential client. Also, the Contractor represents



conflicting interests when his conduct is described as such in the canons of ethic applicable to the Contractor and his personnel or in the laws or regulations of the Commonwealth of Puerto Rico.

- 2) In the event that any of the partners, directors or employees of the Contractor should incur in the conduct described herein, said conduct shall constitute a violation to the prohibitions provided herein. The Contractor shall avoid even the appearance of the existence of conflicting interests.
- 3) The Contractor acknowledges that the Executive Director of PREPA shall have the power to intervene the acts of the Contractor and/or its agents, employees, and subcontractors regarding the enforcement of the prohibitions contained herein. In the event that PREPA should discover the existence of adverse interests with the Contractor, the Executive Director shall inform the Contractor, in writing, of PREPA's intention to terminate this Contract within a thirty (30) day period. During said period, the Contractor may request a meeting with the Executive Director to present his arguments regarding the alleged conflict of interests, which meeting shall be granted by PREPA in every case of alleged conflict of interests. In the event that the Contractor does not request such a meeting during the specified thirty (30) day period or the controversy is not satisfactorily settled during the meeting, this Contract shall be cancelled.
- 4) The Contractor certifies that, at the time of award of this Contract, it does not have any other contractual relation that can enter in a conflict of interest with this Contract. The Contractor also certifies that no public employee has any personal or economical interest in this Contract.



ARTICLE 18: Claims for Labor and Materials

The Contractor shall, at his own expense, assume the defense of and save harmless PREPA from claims for labor and materials and not suffer any mechanics or other liens to remain outstanding against any of the property used in connection with the work; and shall, on request, furnish satisfactory evidence that all persons who have done work or furnished materials have been fully paid. If the Contractor fails to comply with his obligations in this respect, PREPA may take such liens or claims and may withhold from any monies due to the Contractor such amounts as may be necessary to satisfy and discharge any such claims and any cost and expenses incidental thereto.

ARTICLE 19: Unfair Labor Practice

- 1) In the event that the Contractor or any of his subcontractors or agents do not comply with an order issued by the Puerto Rico Labor Relations Board and/or the National Labor Relations Board upon their finding that the Contractor or any of his subcontractors or agents have committed an unfair labor practice, no further payments shall be made by PREPA to the Contractor after the date of said order. In addition, the Contract may be terminated by PREPA, in which case PREPA may take possession of the materials, tools, and appliances on the job site and finish the work by whatever method it may deem expedient.
- 2) Any declaration by the Puerto Rico Labor Relations Board and/or by the National Labor Relation Board that the contractors or agents have not complied with an order issued by the Board relating to any unfair labor practice, shall be binding, final and conclusive unless such order is reversed or set aside by a Court of competent jurisdiction.



ARTICLE 20: Assignment and Subcontractors

The Contractor shall not assign nor subcontract its rights and obligations under this Agreement, except in the event PREPA give written authorization for such actions. Provided, that no subcontract shall be considered for PREPA's approval, except when the following requirements are met: (1) Contractor delivers to PREPA a copy of the subcontract, not less than fifteen (15) days prior to the effective date of the proposed subcontract; (2) the subcontract includes, as a condition for its legal validity and enforceability, a provision whereby PREPA has the right to substitute, subrogate or assume Contractor's rights under the subcontract, in the event that PREPA declares the Contractor in breach or default of any of the Agreement terms and conditions; and (3) the subcontract includes, as a condition for its validity and enforceability, a provision establishing for the subcontractor the obligation to comply with all Contractor's obligations under the Agreement (mirror image clause), except for such obligations, terms and conditions which exclusively related with works or services not included under the subcontract. A request to subcontract shall specify the issues or matters that will be referred to the subcontractor.

ARTICLE 21: Novation

The Contractor and PREPA expressly agree that no amendment or change order which could be made to this Contract, during its term, shall be understood as a contractual novation, unless both parties agree to the contrary, specifically and in writing. This previous provision shall be equally applicable in such other cases where PREPA gives the Contractor a time extension for the compliance of any of its obligations under the



Contract or where PREPA dispenses the claim or demand of any of its credits or rights under this Contract.

ARTICLE 22: Waiver

No waiver of any breach of this Contract shall be held to be a waiver of any other subsequent breach.

ARTICLE 23: Disputes

All disputes concerning questions of fact arising under this Contract shall be decided by PREPA's Transmission and Distribution Director within 10 days from the submission of the dispute by Contractor, subject to written appeal by Contractor to the Executive Director within thirty (30) days. Within 10 days thereafter, the Executive Director shall inform each party hereto of his decision regarding the dispute. Contractor, at its option, may elect to accept such decision or pursue remedies at law or equity. Contractor may pursue directly the remedies at law or equity for all other disputes other than questions of fact. Notwithstanding the terms above, each party has the right at any time, at its option and where legally available, to commence an action or proceeding in a court of competent jurisdiction to apply for interim or conservatory measures, but not monetary damages.

ARTICLE 24: Change in Law

During the term of this Contract, any change in law, including, but not limited to changes in applicable tax law, which causes an increase in Contractor's costs when supplying the products or services to be acquired by PREPA, shall be of Contractor's responsibility and PREPA shall not be obliged to make additional payments nor to pay additional sums to the price or canon originally agreed for those products or services. In such case, Contractor may elect to terminate this Contract without penalty with thirty (30) days written



notice to PREPA and PREPA shall pay and compensate Contractor for all work done and services performed to the date of termination, including costs and expenses incurred for demobilization costs and termination fees for facility/yard leases in Puerto Rico and duly evidenced through the date of termination as calculated pursuant to Contractors Proposal, without waiver by Contractor of any other rights or remedies it may have in law or in equity to protect its rights under this Contract. Contractor shall provide all evidence to PREPA's approval of final invoice.

ARTICLE 25: Choice of Law

This Contract shall be governed by and construed in accordance with the laws of the Commonwealth of Puerto Rico. Also, the contracting parties expressly agree that only the state courts of Puerto Rico will be the courts of competent and exclusive jurisdiction to decide over the judicial controversies that the appearing parties may have among them regarding the terms and conditions of this Contract.

ARTICLE 26: Separability

If a court of competent jurisdiction declares any of the Contract provisions as null or invalid, such holding will not affect the validity and effectiveness of the remaining provisions of the Contract and the parties agree to comply with their respective obligations under such provisions not included by the judicial declaration.

ARTICLE 27: Conflicts with Other Documents

In the event of any conflict between any terms and/or conditions contained on any forms or documents exchanged by the parties of this Agreement, the terms and conditions of this Contract will govern.



ARTICLE 28: Notice

- 1) PREPA agrees to give the Contractor immediate notice of any and all claims for which the Contractor may be liable, and the Contractor agrees to give PREPA immediate notice of any and all claims for which PREPA may be liable.
- 2) Any notice to be given hereunder shall be in writing and will be sufficiently served when delivered in person or properly mailed to the following addresses:

To PREPA: Puerto Rico Electric Power Authority
PO Box 364267
San Juan, Puerto Rico 00936-4267
Attention: Eng. José F. Ortiz Vázquez

To Contractor: MasTec Renewables Puerto Rico, LLC
Address: Chartris Building 250 Muñoz Rivera Avenue Suite 1400
Hato Rey, Puerto Rico 00936-4267
Attention: J.R. (Rick) Roton

ARTICLE 29: Certifications or documents required by law

Previous to the signing of this Contract, the Contractor must submit the following documents or certifications:

- 1) An Income Tax Return Filing Certificate, issued by the Treasury Department of Puerto Rico, Area of Internal Revenues, assuring that Contractor has filed his Income Tax Return for the last five (5) years.
- 2) Certification issued by the Treasury Department of Puerto Rico which indicates that it does not owe taxes to the Commonwealth of Puerto Rico; or is paying such taxes by an installment plan in full compliance with its terms.



- 3) Sales and Use Tax Filing Certificate, issued by the Treasury Department of Puerto Rico, assuring that Contractor has filed his Puerto Rico Sales and Use Tax for the last sixty (60) contributory periods.
- 4) Certification issued by the Treasury Department of Puerto Rico which indicates that it does not owe Puerto Rico Sales and Use Taxes to the Commonwealth of Puerto Rico; or is paying such taxes by an installment plan in full compliance with its terms.
- 5) Certification issued by the Municipal Revenues Collection Center (MRCC), assuring that Contractor does not owe any tax to such governmental agency with respect to real and personal property; or Negative Debt issued by the MRCC with respect to real property taxes.
- 6) Certification issued by Municipal Revenues Collection Center (MRCC) assuring that Contractor does not owe any tax accruing during the last five (5) years to such governmental agency with respect to personal property. Additionally, if Contractor does not own personal property in the Commonwealth of Puerto Rico, Contractor shall provide a sworn statement which states that:
 - a) During the last five years, Contractor has not owned personal property in the Commonwealth of Puerto Rico (except to the extent relating to services provided by the Contractor to PREPA);
 - b) For the reasons above stated, Contractor is not required to file Personal Property Tax in the Commonwealth of Puerto Rico as established in Article 6.03 of Act 83 of August 1991 and therefore a Personal Property Tax file does not exist for Contractor in the MRCC.



- 7) Certification, issued by the Department of Labor and Human Resources of Puerto Rico, assuring that Contractor has paid to the Department of Labor and Human Resources of Puerto Rico its employees' contribution, in accordance with the Puerto Rico Employment Security Act (unemployment, temporary disability or sickness, or social security for chauffeurs); or is paying such contribution by an installment plan in full compliance with its terms.
- 8) Certification, issued by the Child Support Administration, assuring that Contractor is in compliance with the withholdings required by ASUME.
- 9) Copy of the Merchant's Registration Certificate.
- 10) Contractor shall submit a sworn statement whereby it shall inform whether it or any president, vice-president, director, executive director or member of a board of officials or board of directors, or persons that or any person performing equivalent functions for Contractor has been convicted of or has pled guilty to any of the crimes listed in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico or any of the crimes included in Act 2-2018, Anti-Corruption Code for a New Puerto Rico.

Contractor agrees to comply with the provisions of Act No. 2-2018, as the same may be amended from time to time, which establishes the Anti-Corruption Code for a New Puerto Rico.

The Contractor hereby certifies that it does not represent particular interests in cases or matters that imply a conflicts of interest, or of public policy, between the executive agency and the particular interests it represents.



Contractor hereby certifies that it has not been convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3 or 5.7 of Act 1-2012, as amended, known as the Organic Act of the Office of Government Ethics of Puerto Rico, any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code, any of the crimes typified in Act 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico.

PREPA shall have the right to terminate the Contract in the event Contractor is convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3 or 5.7 of Act 1-2012, as amended, known as the Organic Act of the Office of Government Ethics of Puerto Rico, any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code, any of the crimes typified in Act 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico.

- 11) Compliance with Act No. 1 of Governmental Ethics: The Contractor will certify that it is in compliance with Act 1 of January 3, 2012, as amended, known as the Ethics Act of the Government of Puerto Rico, which, stipulates that, no employee or executive of



the Contractor, nor any member of his/he immediate family (spouse, dependent children or other members of his/her household or any individual whose financial affairs are under the control of the employee) shall have any direct or indirect pecuniary interest in the services to be rendered under this Contract, except as may be expressly authorized by the Governor of Puerto Rico in consultation with the Secretary of Treasury and the Secretary of Justice of the Government. 3 L.P.R.A. § 8611 et seq.;

- 12) Social Security and Income Tax Retentions: In compliance with Executive Order 1991 OE- 24; and C.F.R. Part 404 et. Seq., 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 Contract. Executive Order 1991OE24; C.F.R. Part 404 et. Seq.
- 13) Law Num. 127, May 31, 2004: Contract Registration in the Comptroller's Office of Puerto Rico Act: Payment for services object of this Contract will not be made until this Contract is properly registered in the Office of the Comptroller of the Government of Puerto Rico pursuant to Law Number 18 of October 30, 1975, as amended.
- 14) Dispensation: Any and all necessary dispensations have been obtained from any government entity and that said dispensations shall become part of the contracting record.
- 15) Articles extracted, produced, assembled, packaged or distributed in Puerto Rico by enterprises with operations in Puerto Rico, or distributed by agents established in Puerto Rico shall be used when the service is rendered, provided that they are available



- 16) The Contractor acknowledges and accepts that it is knowledgeable of the rules of ethics of his/her profession and assumes responsibility for his/her own actions.
- 17) No public officer or employee authorized to contract on behalf of the executive agency for which he/she works may execute a contract between the agency for which he/she works and an entity or business in which he/she or any member of his/her family unit has or has had direct or indirect economic interest during the last four (4) years prior to his/her holding office.
- 18) No executive agency may execute a contract in which any of its officers or employees or any member of their family units has or has had direct or indirect economic interest during the last four (4) years prior to their holding office, unless the Governor gives authorization thereto with the previous recommendation of the Secretary of the Treasury and the Secretary of Justice.
- 19) No public officer or employee may be a party to or have any interest in any profits or benefits produced by a contract with any other executive agency or government dependency unless the Governor gives express authorization thereto with previous recommendation from the Secretary of the Treasury and the Secretary of Justice.
- 20) No public officer or employee who has the power to approve or authorize contracts shall evaluate, consider, approve or authorize any contract between an executive agency and an entity or business in which he/she or any member of his/her family unit has or has had direct or indirect economic interest during the last four (4) years prior to his/her holding office.



- 21) No executive agency shall execute contracts with or for the benefit of persons who have been public officers or employees of said executive agency until after two (2) years have elapsed from the time said person has ceased working as such.
- 22) Act 42-2018 "Act of Preference for Contractors and Local Construction Suppliers"
Contractor agrees to comply with Act 42- 2018, that established as a public policy of the Government of Puerto Rico that, regarding the purchase and contracting of Construction Services, at least twenty percent (20%) of said purchases and contracts will be rendered by a Business or Local Provider of Construction Services.
- 23) Contractor hereby certifies that it is registered in PREPA's Supplier's Registry.
- 24) Contractor hereby certifies that (i) Contractor and each of the members of its team, employees, advisors and consultants are not Restricted Parties, as hereinafter defined, (ii) none of the aforementioned persons is a director officer, partner, employee or affiliate of a Restricted Party and (iii) neither Contractor nor any member of its team has used, consulted, included or requested advice from any Restricted Party. For purposes of this Agreement, the term "Restricted Party" shall refer to any person, including but not limited to technical, financial, legal, environmental, social and labor advisors, that was employed or engaged by PREPA for the preparation of any reports regarding need or convenience for this Contract, Request for Proposals No. 86952 Agreement or any other documentation related to the procurement of this Contract or the services to be provided hereunder.
- 25) Consequences of Non-Compliance: The Contractor expressly agrees that the conditions outlined are essential requirements of this Contract; consequently, should



any one of these representations, warrants, and certifications be incorrect, inaccurate or misleading, in whole or in part, and should such non-compliance not be cured within thirty (30) days, there shall be sufficient cause for PREPA to terminate this Contract.

ARTICLE 30: Discrimination

The Contractor certifies that it is an equal opportunity employer, and does not discriminate by reason of race, color, gender, age, national or social origin, social status, political ideas or affiliation, religion; for being or perceived to be victim or domestic violence, sexual aggression or harassment; for physical or mental disability or veteran status.

ARTICLE 31: Other Taxes

All unemployment, retirement, and other Social Security contributions and taxes; all sales, use and excise, privilege, business and occupational taxes, and any other taxes or fees payable by the Contractor are and shall be included as part of his prices.

ARTICLE 32: Transfer of Funds

If Contractor decides to assign or transfer an amount, due or payable, to which he is entitled for services rendered or goods provided during the term of this Contract, Contractor shall notify PREPA of such transfer of funds, in accordance to the provisions of Act 21-2012. Said notice shall clearly indicate the rights granted, including a copy of the contract under which the assignment or transfer of funds is made, the exact amount of funds to be assigned or transferred, and specific identification information regarding the assignee (full name of the person or company), address and any other contact information.

Contractor acknowledges and agrees that PREPA may deduct any amount, due or payable under this Contract, that Contractor owes; PREPA may retain any said amount



if Contractor fails to fulfill its obligations and responsibilities under this Contract, or a claim arises for warranty or defects regarding the services rendered or goods provided under this Contract. Contractor also acknowledges and agrees that PREPA's payment obligation under any assignment of funds will cease upon payment of the outstanding amounts under this Contract. PREPA shall not be required to make payments or transfer any funds for an amount that exceeds the payment to which Contractor is entitled to under this Contract.

Contractor shall include with its notice of assignment of funds a cashier's check or money order for two hundred dollars (\$200), payable to "Puerto Rico Electric Power Authority", to cover administrative costs in processing such assignment.

ARTICLE 33: Safety Provisions

- 1) The Contractor shall comply with all applicable laws, ordinances, rules, regulations and OSHA standards for the safety of personnel, equipment, property and to protect them from damage, injury or loss. He shall erect and maintain, as required by existing conditions and progress of the work, all reasonable safeguards for safety and protection, including posting danger signs and other warnings against hazards, promulgating safety regulations and notifying owners and users of adjacent utilities. Compliance with all safety provisions by subcontractors shall be the responsibility of the Contractor.
- 2) The Contractor shall submit a **Site Specific Work Plan** including: the scope of work, description of the activities to be done, special safety and health considerations to be addressed before commencement of the project, safety procedures to be applied and



used during the project including but not limited to excavations, work zone protection, scaffolding, crane operations and emergency procedures for fire and chemical spill among others.

- 3) Before commencement of work, the Contractor shall take part in a coordination meeting with PREPA's Safety Officer and Project Manager. During this meeting the areas to be worked on will be toured, the site-specific work plan will be reviewed and the protocols for Safety inspections and work permit system shall be discussed.
- 4) The Contractor shall designate an employee as their safety officer for the project. The duties of the safety officer could be in addition to his/her normal duties. The safety officer shall be in charge of the prevention of accidents and the implementation of the Site-specific Plan in coordination with PREPA's Safety Officer, Project Manager and Resident Engineer. The contractor safety officer shall have a basic training of 30 hours in Occupational Safety and Health Standards for Construction Industry from an approved OSHA Training Center. Evidence of the training shall be submitted if requested by PREPA.
- 5) Welding operations shall comply with the requirements of OSHA, ANSI and NFPA.
- 6) All chemical products to be used shall be classified as Approved or Conditionally Approved by PREPA's Hazard Communication Section.
- 7) The Contractor shall be responsible for maintaining good housekeeping and sanitary conditions in the work, rest, lunch and toilet areas. If the project involves the handling of non-asbestos insulation or other dust generating materials, like gypsum board, steps shall be taken to prevent the release of dust to adjacent areas.



- 8) Contractor shall have an incident investigation procedure and shall notify to PREPA in writing any incident or accident on PREPA's facility.
- 9) Contractor shall have available and up to date all licenses, trainings, medical surveillance and related certificates for specialized personnel required by OSHA, EQB and DOT according to the scope of work to be performed.
- 10) Each Contractor/Subcontractor shall adhere to a 100% drug /alcohol free work zone. At minimum, pre-project and post-accident testing is required. A positive post-accident test or positive pre-project test will result in worker dismissal from the project. Testing will be performed following closely the NIDA standards.
- 11) Services including activities inside buildings occupied by working personnel, that could create a hazard to their safety or health, will be offered after PREPA'S working hours. The exception will be if the contractor could take all the necessary precautions to protect PREPA's employees and the public from any possible hazard caused by the work. The Contractor will take all steps necessary to assure the area will be free of nuisance odors or vapors before PREPA's personnel is to reoccupy. All these will be done in coordination with the local supervisor of PREPA.
- 12) The Contractor shall assure that all wastes generated by Contractor as a part of the Work are removed and properly disposed of, in accordance with all applicable laws and regulations, at the end of every work shift and after the completion of the project.
- 13) Contractor will obtain and maintain, during the duration of the project, the proper permits from all federal, state and local regulatory authorities with respect to discharge, disposal, use, storage, handling and transportation of hazardous chemicals and substances. For projects including the handling of asbestos, lead, or spilled



- hazardous substances, the notification to EPA or the EQB will be done by the Contractor, but in coordination with the Safety Officer and the Environmental Advisor.
- 14) To the extent PREPA is not in default under the Contract, Contractor will defend, indemnify and hold harmless, Puerto Rico Electric Power Authority, its employees, agents or assignees for any and all direct liabilities and expenses arising out of Contractor noncompliance with these clauses, if applicable to Contractor and Contractor's Work, irrespective of any other terms of this agreement.
- 15) Puerto Rico Electric Power Authority may unilaterally terminate this contract upon Contractor's failure to reasonably comply with the applicable safety provisions on this Contract upon thirty (30) days of a written notice to Contractor.

ARTICLE 34. Contract Validity

If one or more clauses of the contract are declared invalid, void, unenforceable or illegal, that shall not affect the validity of the remaining portions of the Contract, which shall remain in full force and effect.

ARTICLE 35. Applicable Law

This Contract will be governed by and construed in accordance with the laws of the Commonwealth of Puerto Rico without regard to its principles regarding conflicts of laws. The court and authorities of the Commonwealth of Puerto Rico shall have jurisdiction over all controversies that may arise with respect to this Contract. The parties hereby waive any other venue to which they might be entitled by the virtue of domicile or otherwise. Should either party initiate or bring suit or action before any other court, it is agreed that upon application, any such suit or action shall be dismissed, without prejudice, and may be filed in accordance with this provision. The party bringing the suit or action before a



court not agreed to herein shall pay to the other party all the costs of seeking dismissal including reasonable attorney's fees.

ARTICLE 36. Save and Harmless Clause

PREPA and the Contractor shall jointly save and hold harmless and to indemnify, one another from and against any and all liabilities, claims, demands, suits, losses, damages, costs and expenses (including reasonable attorney fees and court costs) for bodily injury to or death of any third person, or damage to or destruction of any property of third party, caused by any negligent act or omission on the part of the indemnifying party its officers, employees, contractors or agents, except to the extent such liabilities, claims, suits, losses, damages, costs and expenses result from any negligent or willful act or omission on the part of the indemnified party, its officers, employees, contractors or agents in the performance or failure to perform its obligations under the Agreement.

ARTICLE 37. Warranty

Contractor warrants that it shall perform the Services in accordance with the applicable standards of care and diligence at the time of performance of the Services, and which are normally practiced and recognized in performing services of a similar nature (the "Standard") for a period of one (1) year from the completion of the work performed under the Contract. Should any of the Services provided by Contractor not fulfill the above established Standard, Contractor shall take all necessary corrective measures to rectify such deficient Services, at its own and exclusive cost, whenever such course of action is possible or desirable. The rectification of deficient Services by Contractor shall not be understood as a waiver by PREPA to any other remedy it may have under this Contract



for any damages that Contractor's may have caused to it by rendering such deficient Services.

Contractor's obligations and liabilities regarding warranties for materials, parts, and equipment shall be limited to only Contractor supplied materials, parts, and equipment and solely covered un this Article. The warranties covered herein are exclusive and in lieu of all other warranties from Contractor of any kind whatsoever, whether express or implied (including but not limited to, all warranties for performance, merchantability or fitness for a particular purpose or otherwise, which are expressly disclaimed), and PREPA hereby expressly waives the right to do the same.

ARTICLE 38. Correlation of Documents

In case of discrepancy or in the event of any conflict among the different Contract documents such as: Contract, Scope of Services, Appendixes, and Contractors Proposal, these shall take precedence in the order given. The terms and conditions contained in the Contract shall prevail over any conflictive terms and conditions contained in the Contactors Proposal and any other document expressly referenced in this Contract.

ARTICLE 39. Mandatory Clauses Pursuant Act 3-2017 and Circular Letter 141-17 dated January 30, 2017

(1) Both parties acknowledge and agree that the contracted services herein may be provided to another entity of the Executive Branch which enters into an interagency agreement with PREPA or by direct disposition of the Secretariat of Government. 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 the purpose of this clause, the term



"entity of the Executive Branch" includes all agencies of the Government of Puerto Rico, as well all public instrumentalities and public corporations.

(2) The Secretariat of the Executive Branch shall have the power to terminate this Agreement at any time.

ARTICLE 40. Compliance with Applicable Federal Law, Regulations And Executive Orders.

A. Compliance with the Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 3701-3708) as supplemented by Department of Labor regulations (29 CFR part 5).

(1) Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

(2) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (1) of this section the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed



with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1) of this section, in the sum of \$26 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1) of this section.

(3) Withholding for unpaid wages and liquidated damages. The Government of Puerto Rico shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2) of this section.

(4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (1) through (4) of this section.

B. Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352 (as amended). Contractor certifies that it will not and has not used Federal appropriated funds to pay any person or



organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient (the Government of Puerto Rico).

C. Breach of Contract Terms. Any violation or breach of terms of this Contract on the part of the Contractor or a subcontractor may result in the suspension or termination of this Contract or such other action, including the recovery of damages, as may be necessary to enforce the rights of PREPA. The duties and obligations imposed by this Contract and the rights and remedies available hereunder shall be in addition to, and not a limitation of, any duties, obligations, rights and remedies otherwise imposed or available by law.

D. Clean Air Act and the Federal Water Pollution Control Act. 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., and the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq. The Contractor agrees to report each violation to PREPA and understands and agrees that PREPA will, in turn, report each violation as required to assure notification to the Government of Puerto Rico, Federal Emergency Management Agency, U.S. Department of Housing and Urban Development and the appropriate Environmental Protection Agency Regional Office.



The Contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance.

E. Changes. At any time, and only through a written change order instruction, PREPA may make changes in the Services or work to be performed within the general scope of this Contract. If such changes cause an increase or decrease in Contractor's cost of, or time required for, performance of any services under this Contract, an equitable adjustment shall be made and this Contract shall be modified in writing accordingly, provided, however, that no changes shall be made to the scope of the Services that would render the costs incurred in the performance of this Contract unallowable or not allocable under, or outside the scope or not reasonable for the completion of, Federal grant awards from FEMA, HUD or any other U.S. federal agency.

F. Sufficiency of Funds. The Contractor recognizes and agrees that funding for this Contract is contingent upon the availability of Federal assistance awarded by federal agencies to the Government of Puerto Rico. A failure of PREPA to make any payment under this Contract due to unavailability of Federal and/or Government of Puerto Rico funding shall not constitute a breach of the Contract by PREPA or default thereunder and PREPA and the Government of Puerto Rico shall not be held financially liable therefore. If during the term of this Contract, Federal or local funding is reduced, deobligated, or withdrawn, PREPA may reduce the scope of or terminate the Contract. PREPA shall provide the Contractor with written notice of the lack of funding within a reasonable time and PREPA reserves all rights to reduce the scope of or terminate the Contract as a result of lack of funding.



G. FEMA Disaster Assistance Survivor/Registrant Data.

- (a) If the Contractor has access to Disaster Assistance Survivor/Registrant data or any other personally identifiable information, the Contractor shall comply with the provisions of the Terms and Conditions for Sharing FEMA Disaster Assistance Survivor/Registrant Data with State Governments set forth in the FEMA-Government of Puerto Rico Contract for FEMA-4339-DR-PR.
- (b) The Contractor shall indemnify, defend, and hold harmless PREPA and the Government of Puerto Rico for any and all costs associated with the defense of that litigation, including costs and attorneys' fees, settlements, or adverse judgments arising from the Contractor's failure to comply with the requirements under this contract.

H. Costs. All costs incurred by the Contractor in performance of this Contract must be in accord with the cost principles of 2 C.F.R. pt. 200, Subpart PREPA shall not be required to make payments to the Contractor for costs which are found to be contrary to the cost principles 2 C.F.R. pt. 200, Subpart E.

I. Financial Management System. The Contractor's financial management system shall provide for the following:

- (1) accurate, current and complete disclosure of the financial results of this Contract and any other contract, grant, program or other activity administered by the Contractor;



- (2) records adequately identifying the source and application of all Contractor funds and all funds administered by the Contractor which shall contain information pertaining to all contract and grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays and income, and shall be segregated by contract or on a contract-by-contract basis;
- (3) effective internal control structure over all funds, property and other assets, sufficient to allow the Contractor to adequately safeguard all such assets and shall ensure that they are used solely for authorized purposes;
- (4) comparison of actual outlays with budgeted amounts for this Contract and for any other contract, grant, program or other activity administered by the Contractor;
- (5) accounting records supported by source documentation;
- (6) procedures to minimize elapsed time between any advance payment issued and the disbursement of such advance funds by the Contractor; and
- (7) procedures consistent with the provisions of any applicable policies of the Federal Government and the Government of Puerto Rico and procedures for determining the reasonableness, allowability and allocability of costs under this Contract.

J. Penalties, Fines, and Disallowed Costs. In the event that any U.S. Federal agency or the Government of Puerto Rico disallows or demands repayment for costs incurred in



the performance of this Contract, or if any penalty is imposed due to an act or omission by the Contractor, the Contractor shall be solely responsible for such penalty, disallowed costs, or repayment demand, and shall reimburse PREPA in full within ten (10) days of receiving notice from PREPA of such penalty, disallowance, or repayment demand. Any monies paid by the Contractor pursuant to this provision shall not relieve the Contractor of liability to PREPA for damages sustained by PREPA by virtue of any other provision of this Contract.

K. Debarment, Suspension, and Ineligibility.

- (1) The Contractor represents and warrants that the Contractor, its principals, and affiliates have not been debarred, suspended, or placed in ineligibility status under the provisions of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000 (government debarment and suspension regulations). The Contractor represents and warrants that it will not enter into any contracts or subcontracts with any individual or entity which has been debarred, suspended or deemed ineligible under those provisions. During the term of this Contract, the Contractor will periodically review SAM.gov and local notices to verify the continued accuracy of this representation. The Contractor shall require all subcontractors at every tier to comply with this requirement.
- (2) This certification is a material representation of fact relied upon by PREPA. If it is later determined that the Contractor did not comply with 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000, in addition to remedies available to



the Government of Puerto Rico and PREPA, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.

L. Reporting Requirements. The Contractor shall complete and submit all reports, in such form and according to such schedule, as may be required by PREPA.

M. Review of laws. The Contractor certifies that it will access online and read each law that is cited in the aforementioned clauses and that, in the event it cannot access the online version, it will notify PREPA in order to obtain printed copies of the laws. Not requiring a printed copy of the laws to PREPA will be evidence that the Contractor was able to find it online and read it as required.

N. Notice of Federal Emergency Management Agency (FEMA) Reporting Requirements and Regulations:

- (1) PREPA is using Federal grant funding awarded or administered by FEMA to the Government of Puerto Rico and/or PREPA to pay, in full, for the costs incurred under this Contract. As a condition of FEMA funding under major disaster declaration FEMA-4339-DR-PR, FEMA requires the Government of Puerto Rico and PREPA to provide various financial and performance reporting. The Contractor agrees to provide all information, documentation, and reports necessary to satisfy these reporting requirements. Failure by the Contractor to provide information necessary to satisfy these reporting



requirements may result in loss of Federal funding for this Contract, and such failure shall be a material breach of this Contract.

- (2) Applicable Regulations and Policy. Applicable regulations, FEMA policy, and other sources setting forth these reporting requirements include, but are not limited to:

(i) 2 C.F.R. § 327 (Financial Reporting);

(ii) 2 C.F.R. § 200.328 (Monitoring and Reporting Program Performance);

(iii) Performance and financial reporting requirements set forth in 2 C.F.R. Part 206.

O. Access to Records.

1. The Contractor agrees to provide PREPA, the Government of Puerto Rico, the FEMA and HUD Administrator, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Contractor which are directly pertinent to this Contract for the purposes of making audits, examinations, excerpts, and transcriptions.
2. 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.



3. The Contractor agrees to provide the FEMA and HUD Administrator or his authorized representatives access to work sites pertaining to the work being completed under the Contract.

P. Retention requirements for records.

The Contractor agrees to maintain all books, records, accounts and reports and all other records produced or collected in connection with this Contract for a period of not less than three (3) years after the date of final payment and closed-out of all pending matters related to this Contract. If any litigation, claim, or audit is reasonably anticipated to arise or is started before the expiration of the 3-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken.

Financial records, supporting documents, statistical records, and all other non-Federal entity records pertinent to a Federal award must be retained for a period of three years from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal awarding agency or pass-through entity in the case of a sub-recipient. Federal awarding agencies and pass-through entities must not impose any other record retention requirements upon non-Federal entities. The only exceptions are the following:

- 1) If any litigation, claim, or audit is started before the expiration of the 3-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken.



- 2) When PREPA is notified in writing by the Federal awarding agency, cognizant agency for audit, oversight agency for audit, cognizant agency for indirect costs, or pass-through entity to extend the retention period.
- 3) Records for real property and equipment acquired with Federal funds must be retained for 3 years after final disposition.
- 4) When records are transferred to or maintained by the Federal awarding agency or pass-through entity, the 3- year retention requirement is not applicable to the non-Federal entity.
- 5) Records for program income transactions after the period of performance. In some cases recipients must report program income after the period of performance. Where there is such a requirement, the retention period for the records pertaining to the earning of the program income starts from the end of the non-Federal entity's fiscal year in which the program income is earned.
- 6) Indirect cost rate proposals and cost allocations plans. This paragraph applies to the following types of documents and their supporting records: indirect cost rate computations or proposals, cost allocation plans, and any similar accounting computations of the rate at which a particular group of costs is chargeable (such as computer usage chargeback rates or composite fringe benefit rates).
- 7) *If submitted for negotiation.* If the proposal, plan, or other computation is required to be submitted to the Federal government (or to the pass-through



entity) to form the basis for negotiation of the rate, then the 3-year retention period for its supporting records starts from the date of such submission.

- 8) *If not submitted for negotiation.* If the proposal, plan, or other computation is not required to be submitted to the Federal government (or to the pass-through entity) for negotiation purposes, then the 3-year retention period for the proposal, plan, or computation and its supporting records starts from the end of the fiscal year (or other accounting period) covered by the proposal, plan, or other computation.

Q. Program Fraud and False or Fraudulent Statements or Related Acts. The Contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the Contractor's actions pertaining to this Contract.

R. Procurement of Recovered Materials. 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—(i) competitively within a timeframe providing for compliance with the Contract performance schedule; (ii) meeting Contract performance requirements; or (iii) at a reasonable price. Information about this requirement, along with the list of EPA-designated items, is available at EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>.

S. Equal Opportunity.

During the performance of this Contract, the Contractor agrees as follows:



1. 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, sexual orientation, gender identity, 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 by the contracting officer setting forth the provisions of this nondiscrimination clause.
2. 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, sexual orientation, gender identity, or national origin.
3. The Contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such

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employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the Contractor's legal duty to furnish information.

4. The Contractor will send to each labor union or representative of workers with which it has a collective bargaining Contract or other contract or understanding (if any) a notice advising the labor union or workers' representative of the Contractor's commitments under section 202 of the US Executive Order 11246 of September 24, 1965, as amended, 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 Executive Order 11246, and of the rules, regulations, and relevant orders of the Secretary of Labor.
6. The Contractor will furnish all information and reports required by Executive Order 11246, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the Government Entity, the Government of Puerto Rico, 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 nondiscrimination clauses of this Contract or with any of such rules, regulations, or orders, this



Contract may be canceled, 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 may be imposed and remedies invoked as provided in Executive Order 11246, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

8. The Contractor will include the provisions of paragraphs (1) through (8) in every subcontract or purchase order, unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246, 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 may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: 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, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

- T. Energy Efficiency. The Contractor agrees to comply with the requirements of 42 U.S.C. § 6201, which contain policies relating to energy efficiency that are defined in the Government of Puerto Rico's energy conservation plan issued in compliance with said statute.

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- U. Age Discrimination Act of 1975. The Contractor shall comply with the provisions of the Age Discrimination Act of 1975. 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.
- V. Americans with Disabilities Act. The Contractor shall comply with the appropriate areas of the Americans with Disabilities Act of 1990, as enacted and from time to time amended, and any other applicable federal regulation. A signed, written certificate stating compliance with the Americans with Disabilities Act may be requested at any time during the term of this Contract.
- W. Title VI of the Civil Rights Act of 1964. The Contractor shall comply with the provisions of Title VI of the Civil Rights Act of 1964. No person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.
- X. Section 504 of the Rehabilitation Act of 1973, as Amended. The Contractor agrees that no otherwise qualified individual with disabilities shall, solely by reason of his disability, be denied the benefits, or be subjected to discrimination including discrimination in employment, any program or activity that receives the benefits from the federal financial assistance.



- Y. Drug-Free Workplace. The Contractor shall maintain a drug-free work environment in accordance with the Drug-Free Workplace Act of 1988 (41 U.S.C. § 8101 et seq.), and implementing regulations at 2 C.F.R Part 3001.
- Z. Compliance with Laws, Regulation and Executive Orders. The Contractor acknowledges that FEMA and HUD financial assistance will be used to fund this Contract. The Contractor shall comply will all applicable Federal and Government of Puerto Rico law, regulations, executive orders, policies, procedures, and directives, including but not limited to all Federal Cost Principles set forth in 2 C.F.R. Part 200, and all applicable FEMA and HUD regulations in 44 C.F.R. Chapter I. 2 C.F.R. Part 200.
- AA. Provisions Required by Law Deemed Inserted. Each and every provision required by law regulation, executive order, policy, procedure, directive, Federal grant award or agreement, or cooperative agreement with any Federal agency 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. If, through mistake or otherwise, any provision is not inserted, or is not correctly inserted, then upon the application of either party the Contract shall be amended to make such insertion or correction.
- BB. Agreement to Execute Other Required Documents. Contractor and all subcontractors, by entering into the Contract, understand and agree that funding for the Services is provided under Federal programs with specific contracting requirements. To the extent any such requirement is not otherwise set forth herein,



Contractor agrees to execute such amendments or further agreements as may be necessary to ensure that PREPA received Federal funding for this Contract.

CC. U.S. Department of Homeland Security Seal, Logo, and Flags. The Contractor shall not use the U.S. Department of Homeland Security seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre- approval.

DD. No Obligation by the Federal Government. PREPA and the Contractor acknowledge and agree that the Federal Government is not a party to this Contract and is not subject to any obligations or liabilities to PREPA, Contractor, or any other party pertaining to any matter resulting from the contract.

EE. Section 3 of the Housing and Urban Development Act of 1968.

All section 3 covered contracts shall include the following clause (referred to as the section 3 clause):

1. 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.



2. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, 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 impediment that would prevent them from complying with the part 135 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 CFR part 135, 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 CFR part 135. 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 CFR part 135.



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 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.
6. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract 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 (25 U.S.C. 450e) 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 sub contracts 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).

FF. Compliance with the Davis-Bacon Act.

1. The Contractor shall comply with the Davis-Bacon Act, 40 U.S.C. §§ 3141–3148, and the requirements of 29 C.F.R. § 5.5 as may be applicable, which are incorporated by reference into this Contract.



2. The Contractor or subcontractor shall insert in any subcontracts the foregoing clause and such other clauses as FEMA and HUD may by appropriate instructions require. The Contractor shall require all subcontractors to include these clauses in any lower tier subcontracts. The prime Contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all of these contract clauses.
3. A breach of the contract clauses above may be grounds for termination of the Contract, and for debarment as a Contractor and subcontractor as provided in 29 C.F.R. § 5.12.

GG. Compliance with the Copeland Anti-Kickback Act (applicable to all contracts subject to the Davis-Bacon Act).

1. The Contractor shall comply with 18 U.S.C. § 874, 40 U.S.C. § 3145, and the requirements of 29 C.F.R. pt. 3, as may be applicable, all of which are incorporated by reference into this Contract.
2. The Contractor and subcontractor shall insert in any subcontracts the foregoing clause and such other clauses as FEMA and HUD may by appropriate instructions require. The Contractor shall require all subcontractors to include these clauses in any lower tier subcontracts. The Contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all of these contract clauses.



3. A breach of the contract clauses above may be grounds for termination of the contract and for debarment as a Contractor and subcontractor, as provided in 29 C.F.R. § 5.12.

HH. Buy American—Construction Materials Under Trade Agreements (Oct 2016)

(a) Definitions. As used in this clause—

Caribbean Basin country construction material means a construction material that—

- (1) Is wholly the growth, product, or manufacture of a Caribbean Basin country; or
- (2) In the case of a construction material that consists in whole or in part of materials from another country, has been substantially transformed in a Caribbean Basin country into a new and different construction material distinct from the materials from which it was transformed.

Commercially available off-the-shelf (COTS) item—

(1) Means any item of supply (including construction material) that is—

- (i) A commercial item (as defined in paragraph (1) of the definition at FAR 2.101);
- (ii) Sold in substantial quantities in the commercial marketplace; and
- (iii) Offered to the Government, under a contract or subcontract at any tier, without modification, in the same form in which it is sold in the commercial marketplace; and



(2) Does not include bulk cargo, as defined in 46 U.S.C. 40102(4), such as agricultural products and petroleum products.

Component means an article, material, or supply incorporated directly into a construction material.

Construction material means an article, material, or supply brought to the construction site by the Contractor or subcontractor for incorporation into the building or work. The term also includes an item brought to the site preassembled from articles, materials, or supplies. However, emergency life safety systems, such as emergency lighting, fire alarm, and audio evacuation systems, that are discrete systems incorporated into a public building or work and that are produced as complete systems, are evaluated as a single and distinct construction material regardless of when or how the individual parts or components of those systems are delivered to the construction site. Materials purchased directly by the Government are supplies, not construction material.

Cost of components means—

- (1) For components purchased by the Contractor, the acquisition cost, including transportation costs to the place of incorporation into the construction material (whether or not such costs are paid to a domestic firm), and any applicable duty (whether or not a duty-free entry certificate is issued); or
- (2) For components manufactured by the Contractor, all costs associated with the manufacture of the component, including transportation costs as described in



paragraph (1) of this definition, plus allocable overhead costs, but excluding profit. Cost of components does not include any costs associated with the manufacture of the construction material.

Designated country means any of the following countries:

- (1) A World Trade Organization Government Procurement Agreement (WTO GPA) country (Armenia, Aruba, Austria, Belgium, Bulgaria, Canada, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hong Kong, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea (Republic of), Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Moldova, Montenegro, Netherlands, New Zealand, Norway, Poland, Portugal, Romania, Singapore, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Taiwan, Ukraine, or United Kingdom);
- (2) A Free Trade Agreement (FTA) country (Australia, Bahrain, Canada, Chile, Colombia, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Korea (Republic of), Mexico, Morocco, Nicaragua, Oman, Panama, Peru, or Singapore);
- (3) A least developed country (Afghanistan, Angola, Bangladesh, Benin, Bhutan, Burkina Faso, Burundi, Cambodia, Central African Republic, Chad, Comoros, Democratic Republic of Congo, Djibouti, Equatorial Guinea, Eritrea, Ethiopia, Gambia, Guinea, Guinea-Bissau, Haiti, Kiribati, Laos, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Mozambique, Nepal, Niger, Rwanda,



Samoa, Sao Tome and Principe, Senegal, Sierra Leone, Solomon Islands, Somalia, South Sudan, Tanzania, Timor-Leste, Togo, Tuvalu, Uganda, Vanuatu, Yemen, or Zambia); or

- (4) A Caribbean Basin country (Antigua and Barbuda, Aruba, Bahamas, Barbados, Belize, Bonaire, British Virgin Islands, Curacao, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, Saba, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Sint Eustatius, Sint Maarten, or Trinidad and Tobago).

Designated country construction material means a construction material that is a WTO GPA country construction material, an FTA country construction material, a least developed country construction material, or a Caribbean Basin country construction material.

Domestic construction material means—

- (1) An unmanufactured construction material mined or produced in the United States;
- (2) A construction material manufactured in the United States, if—
- (i) The cost of its components mined, produced, or manufactured in the United States exceeds 50 percent of the cost of all its components. Components of foreign origin of the same class or kind for which nonavailability determinations have been made are treated as domestic; or



(ii) The construction material is a COTS item.

Foreign construction material means a construction material other than a domestic construction material.

Free Trade Agreement country construction material means a construction material that—

- (1) Is wholly the growth, product, or manufacture of a Free Trade Agreement (FTA) country; or
- (2) In the case of a construction material that consists in whole or in part of materials from another country, has been substantially transformed in a FTA country into a new and different construction material distinct from the materials from which it was transformed.

Least developed country construction material means a construction material that—

- (1) Is wholly the growth, product, or manufacture of a least developed country; or
- (2) In the case of a construction material that consists in whole or in part of materials from another country, has been substantially transformed in a least developed country into a new and different construction material distinct from the materials from which it was transformed.

United States means the 50 States, the District of Columbia, and outlying areas.



WTO GPA country construction material means a construction material that—

- (1) Is wholly the growth, product, or manufacture of a WTO GPA country; or
- (2) In the case of a construction material that consists in whole or in part of materials from another country, has been substantially transformed in a WTO GPA country into a new and different construction material distinct from the materials from which it was transformed.

(b) Construction materials.

- (1) This clause implements 41 U.S.C. chapter 83, Buy American, by providing a preference for domestic construction material. In accordance with 41 U.S.C. 1907, the component test of the Buy American statute is waived for construction material that is a COTS item. (See FAR 12.505(a)(2)). In addition, the Contracting Officer has determined that the WTO GPA and Free Trade Agreements (FTAs) apply to this acquisition. Therefore, the Buy American restrictions are waived for designated country construction materials.
- (2) The Contractor shall use only domestic or designated country construction material in performing this contract, except as provided in paragraphs (b)(3) and (b)(4) of this clause.
- (3) The requirement in paragraph (b)(2) of this clause does not apply to information technology that is a commercial item or to the construction materials or components listed by the Government as follows:



[Contracting Officer is to list applicable excepted materials or indicate "none"]

(4) The Contracting Officer may add other foreign construction material to the list in paragraph (b)(3) of this clause if the Government determines that—

(i) The cost of domestic construction material would be unreasonable. The cost of a particular domestic construction material subject to the restrictions of the Buy American statute is unreasonable when the cost of such material exceeds the cost of foreign material by more than 6 percent;

(ii) The application of the restriction of the Buy American statute to a particular construction material would be impracticable or inconsistent with the public interest; or

(iii) The construction material is not mined, produced, or manufactured in the United States in sufficient and reasonably available commercial quantities of a satisfactory quality.

(c) Request for determination of inapplicability of the Buy American statute.

(1) (i) Any Contractor request to use foreign construction material in accordance with paragraph (b)(4) of this clause shall include adequate information for Government evaluation of the request, including—

(A) A description of the foreign and domestic construction materials;

(B) Unit of measure;



(C) Quantity;

(D) Price;

(E) Time of delivery or availability;

(F) Location of the construction project;

(G) Name and address of the proposed supplier; and

(H) A detailed justification of the reason for use of foreign construction materials cited in accordance with paragraph (b)(3) of this clause.

(ii) A request based on unreasonable cost shall include a reasonable survey of the market and a completed price comparison table in the format in paragraph (d) of this clause.

(iii) The price of construction material shall include all delivery costs to the construction site and any applicable duty (whether or not a duty-free certificate may be issued).

(iv) Any Contractor request for a determination submitted after contract award shall explain why the Contractor could not reasonably foresee the need for such determination and could not have requested the determination before contract award. If the Contractor does not submit a satisfactory explanation, the Contracting Officer need not make a determination.



(2) If the Government determines after contract award that an exception to the Buy American statute applies and the Contracting Officer and the Contractor negotiate adequate consideration, the Contracting Officer will modify the contract to allow use of the foreign construction material. However, when the basis for the exception is the unreasonable price of a domestic construction material, adequate consideration is not less than the differential established in paragraph (b)(4)(i) of this clause.

(3) Unless the Government determines that an exception to the Buy American statute applies, use of foreign construction material is noncompliant with the Buy American statute.

(d) Data. To permit evaluation of requests under paragraph (c) of this clause based on unreasonable cost, the Contractor shall include the following information and any applicable supporting data based on the survey of suppliers:

Foreign and Domestic Construction Materials Price Comparison

Construction material description	Unit of measure	Quantity	Price (dollars) ¹
Item 1:			
Foreign construction material			
Domestic construction material			

Item 2:			
Foreign construction material			
Domestic construction material			

Include all delivery costs to the construction site and any applicable duty (whether or not a duty-free entry certificate is issued).

List name, address, telephone number, and contact for suppliers surveyed. xAttach copy of response; if oral, attach summary.

Include other applicable supporting information.

Notes:

- List in paragraph (b)(3) of the clause all foreign construction material excepted from the requirements of the Buy American statute, other than designated country construction material.
- If the head of the agency determines that a higher percentage is appropriate, substitute the higher evaluation percentage in paragraph (b)(4)(i).

Restrictions on Certain Foreign Purchase

(a) Except as authorized by the Office of Foreign Assets Control (OFAC) in the Department of the Treasury, the Contractor shall not acquire, for use in the

performance of this contract, any supplies or services if any proclamation, Executive order, or statute administered by OFAC, or if OFAC's implementing regulations at 31 CFR chapter V, would prohibit such a transaction by a person subject to the jurisdiction of the United States.

(b) Except as authorized by OFAC, most transactions involving Cuba, Iran, and Sudan are prohibited, as are most imports from Burma or North Korea, into the United States or its outlying areas. Lists of entities and individuals subject to economic sanctions are included in OFAC's List of Specially Designated Nationals and Blocked Persons at <http://www.treas.gov/offices/enforcement/ofac/sdn>. More information about these restrictions, as well as updates, is available in the OFAC's regulations at 31 CFR chapter V and/or on OFAC's Web site at <http://www.treas.gov/offices/enforcement/ofac>.

(c) The Contractor shall insert this clause, including this paragraph (c), in all subcontracts.

Inconsistency Between English Version and Translation of Contract

In the event of inconsistency between any terms of this contract and any translation into another language, the English language meaning shall control.

ARTICLE 41. Complete Agreement

This document, together with all attachments referred to herein, constitutes the entire agreement between the parties as to this subject matter and supersedes all communications, negotiations, and agreements of the Parties, whether written or oral,



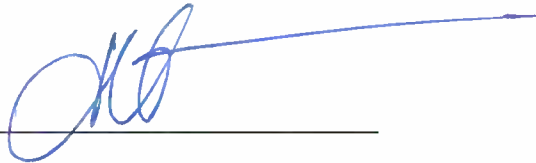
other than these, made prior to the signing of this Contract. In case of conflict the terms and conditions of this Contract, as signed by the parties, shall prevail.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement this 7
day of May 2019.

Puerto Rico Electric Power Authority

MasTec Renewables Puerto Rico, LLC

By: _____

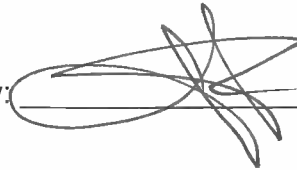


Name: José F. Ortiz Vázquez

Title: Chief Executive Officer

Tax ID: 660-43-3747

By: _____



Name: J.R. (Rick) Roton

Title: Executive Program Manager

Tax ID: 660-75-4928



Appendix A

Proposal

ID	Tasks	Units	MasTec North America, Inc. Submitted: Only Offer
1	Removal of old Luminaire, including photocell, luminaire arm and all related materials and accessories.	Ea.	\$ 126.13
2	Installation of new LED Luminarie, including photocontrols, luminaire arm, lamp and related materials and accessories (labor and equipment)	Ea.	\$ 294.30
3	Installation of Lamp Control Standard Type STL-14 (labor and equipment)	Ea.	\$ 42.04
4	Installation of #6 AL Triplex overhead wire (labor and equipment)	Ft.	\$ 5.05
5	Installation of #10 AWG XLP Copper (labor and equipment)		\$ 1.68
6	Installation of circuit contactors and/or circuit breakers and their corresponding electric housing (labor and equipment)	Ea.	\$ 420.43
7	Removal of old wooden or concrete streetlight pole, including breakaways bases and final disposal	Ea.	\$ 756.77
8A	Install new pole 33 to 40 feet high including new breakaway base or precast concrete footing, new LED Luminaire, new polearm, new photo controls and other related materials and accessories (labor and equipment) underground secondary lines.	Ea. For overhead secondary lines	\$ 1,681.70
8B		Ea. For underground secondary lines	\$ 1,715.33
9A	Install new pole 33 to 40 feet high including new LED Luminaire, new polearm, new photo controls and other related materials and accessories (labor and equipment) overhead secondary lines.	Ea. For overhead secondary lines	\$ 1,681.70

9B		Ea. For underground secondary lines	\$ 1,715.33
10	Installation of underground electrical lines between poles (labor and equipment)	Ft.	\$ 3.00
11	Installation of disconnect of in-line fuse between the supply line and the luminaire (labor and equipment)	Ea.	\$ 84.09
12	Repair existing luminaire – repair of non-functioning light, either lamp or photocell, or associated equipment failure.	Ea.	\$ 336.34
13	Preliminary assessment of streetlights	per Hr.	\$ 168.17
14	Disposal of vegetation	Cu. Yds.	\$ 50.00
15	Disposal of photocells	Ea.	\$ 1.50
16	Mobilization to work site	Ea. Per Region	\$ 168.17



Terms and Conditions
Repair of Streetlight Lamps
Page 73 of 74

Appendix B

Federal Labor Standards Provisions U.S. Department of Housing and Urban
Development

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Applicability

The Project or Program to which the construction-work covered by this contract pertains is being assisted by the United States of America and the following Federal Labor Standards Provisions are included in this Contract pursuant to the provisions applicable to such Federal assistance.

A. 1. (i) **Minimum Wages.** All laborers and mechanics employed or working upon the site of the work, will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR Part 3), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics. Contributions made or costs reasonably anticipated for bona fide fringe benefits under Section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of 29 CFR 5.5(a)(1)(iv); also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs, which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period.

Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under 29 CFR 5.5(a)(1)(ii) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible, place where it can be easily seen by the workers.

(ii) (a) Any class of laborers or mechanics which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. HUD shall approve an additional classification and wage rate and fringe benefits therefor only when the following criteria have been met:

(1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(2) The classification is utilized in the area by the construction industry; and

(3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(b) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and HUD or its designee agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by HUD or its designee to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, D.C. 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary. (Approved by the Office of Management and Budget under OMB control number 1215-0140.)

(c) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and HUD or its designee do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), HUD or its designee shall refer the questions, including the views of all interested parties and the recommendation of HUD or its designee, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary. (Approved by the Office of Management and Budget under OMB Control Number 1215-0140.)

(d) The wage rate (including fringe benefits where appropriate) determined pursuant to subparagraphs (1)(ii)(b) or (c) of this paragraph, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(iii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(iv) If the contractor does not make payments to a trustee or other third person, the contractor may consider as part

of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program. (Approved by the Office of Management and Budget under OMB Control Number 1215-0140.)

2. Withholding. HUD or its designee shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld from the contractor under this contract or any other Federal contract with the same prime contractor, or any other Federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee or helper, employed or working on the site of the work, all or part of the wages required by the contract, HUD or its designee may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased. HUD or its designee may, after written notice to the contractor, disburse such amounts withheld for and on account of the contractor or subcontractor to the respective employees to whom they are due. The Comptroller General shall make such disbursements in the case of direct Davis-Bacon Act contracts.

3. (i) Payrolls and basic records. Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in Section 1(b)(2)(B) of the Davis-bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5 (a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in Section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been

communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs. (Approved by the Office of Management and Budget under OMB Control Numbers 1215-0140 and 1215-0017.)

(ii) (a) The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to HUD or its designee if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit the payrolls to the applicant sponsor, or owner, as the case may be, for transmission to HUD or its designee. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i) except that full social security numbers and home addresses shall not be included on weekly transmittals. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at <http://www.dol.gov/esa/whd/forms/wh347instr.htm> or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to HUD or its designee if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit the payrolls to the applicant sponsor, or owner, as the case may be, for transmission to HUD or its designee, the contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this subparagraph for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to HUD or its designee. (Approved by the Office of Management and Budget under OMB Control Number 1215-0149.)

(b) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(1) That the payroll for the payroll period contains the information required to be provided under 29 CFR 5.5 (a)(3)(ii), the appropriate information is being maintained under 29 CFR 5.5(a)(3)(i), and that such information is correct and complete;

(2) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in 29 CFR Part 3;

(3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(c) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by subparagraph A.3.(ii)(b).

(d) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under Section 1001 of Title 18 and Section 231 of Title 31 of the United States Code.

(iii) The contractor or subcontractor shall make the records required under subparagraph A.3.(i) available for inspection, copying, or transcription by authorized representatives of HUD or its designee or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, HUD or its designee may, after written notice to the contractor, sponsor, applicant or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

4. Apprentices and Trainees.

(i) **Apprentices.** Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who

is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(ii) **Trainees.** Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by

the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(iii) **Equal employment opportunity.** The utilization of apprentices, trainees and journeymen under 29 CFR Part 5 shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR Part 30.

5. **Compliance with Copeland Act requirements.** The contractor shall comply with the requirements of 29 CFR Part 3 which are incorporated by reference in this contract

6. **Subcontracts.** The contractor or subcontractor will insert in any subcontracts the clauses contained in subparagraphs 1 through 11 in this paragraph A and such other clauses as HUD or its designee may by appropriate instructions require, and a copy of the applicable prevailing wage decision, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in this paragraph.

7. **Contract termination; debarment.** A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

8. **Compliance with Davis-Bacon and Related Act Requirements.** All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR Parts 1, 3, and 5 are herein incorporated by reference in this contract

9. **Disputes concerning labor standards.** Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR Parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and HUD or its designee, the U.S. Department of Labor, or the employees or their representatives.

10. (i) **Certification of Eligibility.** By entering into this contract the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of Section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1) or to be

awarded HUD contracts or participate in HUD programs pursuant to 24 CFR Part 24.

(ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of Section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1) or to be awarded HUD contracts or participate in HUD programs pursuant to 24 CFR Part 24.

(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001. Additionally, U.S. Criminal Code, Section 1 01 0, Title 18, U.S.C., "Federal Housing Administration transactions", provides in part: "Whoever, for the purpose of . . . influencing in any way the action of such Administration..... makes, utters or publishes any statement knowing the same to be false..... shall be fined not more than \$5,000 or imprisoned not more than two years, or both."

11. **Complaints, Proceedings, or Testimony by Employees.** No laborer or mechanic to whom the wage, salary, or other labor standards provisions of this Contract are applicable shall be discharged or in any other manner discriminated against by the Contractor or any subcontractor because such employee 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 under this Contract to his employer.

B. **Contract Work Hours and Safety Standards Act.** The provisions of this paragraph B are applicable where the amount of the prime contract exceeds \$100,000. As used in this paragraph, the terms "laborers" and "mechanics" include watchmen and guards.

(1) **Overtime requirements.** No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which the individual is employed on such work to work in excess of 40 hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of 40 hours in such workweek.

(2) **Violation; liability for unpaid wages; liquidated damages.** In the event of any violation of the clause set forth in subparagraph (1) of this paragraph, the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in subparagraph (1) of this paragraph, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of 40 hours without payment of the overtime wages required by the clause set forth in subparagraph (1) of this paragraph.

(3) **Withholding for unpaid wages and liquidated damages.** HUD or its designee shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contract, or any other Federally-assisted contract subject to the Contract Work Hours and Safety Standards Act which is held by the same prime contractor such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph (2) of this paragraph.

(4) **Subcontracts.** The contractor or subcontractor shall insert in any subcontracts the clauses set forth in subparagraph (1) through (4) of this paragraph and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in subparagraphs (1) through (4) of this paragraph.

C. Health and Safety. The provisions of this paragraph C are applicable where the amount of the prime contract exceeds \$100,000.

(1) No laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to his health and safety as determined under construction safety and health standards promulgated by the Secretary of Labor by regulation.

(2) The Contractor shall comply with all regulations issued by the Secretary of Labor pursuant to Title 29 Part 1926 and failure to comply may result in imposition of sanctions pursuant to the Contract Work Hours and Safety Standards Act, (Public Law 91-54, 83 Stat 96). 40 USC 3701 et seq.

(3) The contractor shall include the provisions of this paragraph in every subcontract so that such provisions will be binding on each subcontractor. The contractor shall take such action with respect to any subcontractor as the Secretary of Housing and Urban Development or the Secretary of Labor shall direct as a means of enforcing such provisions.

Appendix C

Copy of the current prevailing wage determination by the Department of Labor

A handwritten signature or mark, possibly initials, located in the bottom right corner of the page.

Appendix C

General Decision Number: PR180001 01/05/2018 PR1

Superseded General Decision Number: PR20170001

State: Puerto Rico

Construction Type: Building

Counties: Puerto Rico Statewide.

BUILDING CONSTRUCTION (does not include single family homes and apartments up to and including 4 stories).

Note: Under Executive Order (EO) 13658, an hourly minimum wage of \$10.35 for calendar year 2018 applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2015. If this contract is covered by the EO, the contractor must pay all workers in any classification listed on this wage determination at least \$10.35 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract in calendar year 2018. The EO minimum wage rate will be adjusted annually. Please note that this EO applies to the above-mentioned types of contracts entered into by the federal government that are subject to the Davis-Bacon Act itself, but it does not apply to contracts subject only to the Davis-Bacon Related Acts, including those set forth at 29 CFR 5.1(a)(2)-(60). Additional information on contractor requirements and worker protections under the EO is available at www.dol.gov/whd/govcontracts.

Modification Number	Publication Date
0	01/05/2018

* SUPR1993-001 10/29/1993

	Rates	Fringes
BRICKLAYER.....	\$ 7.25	.42
CARPENTER.....	\$ 7.25	.34
CEMENT MASON/CONCRETE FINISHER...	\$ 7.25	.31
ELECTRICIAN (Including HVAC control wiring).....	\$ 7.25	
IRONWORKER.....	\$ 7.25	
Laborer, Unskilled.....	\$ 7.25	
PAINTER.....	\$ 7.25	
PIPEFITTER.....	\$ 7.25	

PLUMBER (Including HVAC work)....\$	7.25	.31
Power equipment operators:		
Cranes.....\$	7.25	
Diggers.....\$	7.25	
Loaders.....\$	7.25	.26
Traxcavator.....\$	7.25	
Sheet metal worker (Including HVAC duct work).....\$	7.25	.31
TRUCK DRIVER.....\$	7.25	.30

WELDERS - Receive rate prescribed for craft performing operation to which welding is incidental.

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Note: Executive Order (EO) 13706, Establishing Paid Sick Leave for Federal Contractors applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2017. If this contract is covered by the EO, the contractor must provide employees with 1 hour of paid sick leave for every 30 hours they work, up to 56 hours of paid sick leave each year. Employees must be permitted to use paid sick leave for their own illness, injury or other health-related needs, including preventive care; to assist a family member (or person who is like family to the employee) who is ill, injured, or has other health-related needs, including preventive care; or for reasons resulting from, or to assist a family member (or person who is like family to the employee) who is a victim of, domestic violence, sexual assault, or stalking. Additional information on contractor requirements and worker protections under the EO is available at www.dol.gov/whd/govcontracts.

Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (ii)).

The body of each wage determination lists the classification and wage rates that have been found to be prevailing for the cited type(s) of construction in the area covered by the wage determination. The classifications are listed in alphabetical order of "identifiers" that indicate whether the particular rate is a union rate (current union negotiated rate for local), a survey rate (weighted average rate) or a union average rate (weighted union average rate).

Union Rate Identifiers

A four letter classification abbreviation identifier enclosed in dotted lines beginning with characters other than "SU" or "UAVG" denotes that the union classification and rate were prevailing for that classification in the survey.

Example:

PLUM0198-005 07/01/2014. PLUM is an abbreviation identifier of the union which prevailed in the survey for this classification, which in this example would be Plumbers. 0198 indicates the local union number or district council number where applicable, i.e., Plumbers Local 0198. The next number, 005 in the example, is an internal number used in processing the wage determination. 07/01/2014 is the effective date of the most current negotiated rate, which in this example is July 1, 2014.

Union prevailing wage rates are updated to reflect all rate changes in the collective bargaining agreement (CBA) governing this classification and rate.

Survey Rate Identifiers

Classifications listed under the "SU" identifier indicate that no one rate prevailed for this classification in the survey and the published rate is derived by computing a weighted average rate based on all the rates reported in the survey for that classification. As this weighted average rate includes all rates reported in the survey, it may include both union and non-union rates. Example: SULA2012-007 5/13/2014. SU indicates the rates are survey rates based on a weighted average calculation of rates and are not majority rates. LA indicates the State of Louisiana. 2012 is the year of survey on which these classifications and rates are based. The next number, 007 in the example, is an internal number used in producing the wage determination. 5/13/2014 indicates the survey completion date for the classifications and rates under that identifier.

Survey wage rates are not updated and remain in effect until a new survey is conducted.

Union Average Rate Identifiers

Classification(s) listed under the UAVG identifier indicate that no single majority rate prevailed for those classifications; however, 100% of the data reported for the classifications was union data. EXAMPLE: UAVG-OH-0010 08/29/2014. UAVG indicates that the rate is a weighted union average rate. OH indicates the state. The next number, 0010 in the example, is an internal number used in producing the wage determination. 08/29/2014 indicates the survey completion date for the classifications and rates under that identifier.

A UAVG rate will be updated once a year, usually in January of each year, to reflect a weighted average of the current negotiated/CBA rate of the union locals from which the rate is based.

WAGE DETERMINATION APPEALS PROCESS

1.) Has there been an initial decision in the matter? This can be:

- * an existing published wage determination
- * a survey underlying a wage determination
- * a Wage and Hour Division letter setting forth a position on a wage determination matter
- * a conformance (additional classification and rate) ruling

On survey related matters, initial contact, including requests for summaries of surveys, should be with the Wage and Hour Regional Office for the area in which the survey was conducted because those Regional Offices have responsibility for the Davis-Bacon survey program. If the response from this initial contact is not satisfactory, then the process described in 2.) and 3.) should be followed.

With regard to any other matter not yet ripe for the formal process described here, initial contact should be with the Branch of Construction Wage Determinations. Write to:

Branch of Construction Wage Determinations
Wage and Hour Division
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

2.) If the answer to the question in 1.) is yes, then an interested party (those affected by the action) can request review and reconsideration from the Wage and Hour Administrator (See 29 CFR Part 1.8 and 29 CFR Part 7). Write to:

Wage and Hour Administrator
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

The request should be accompanied by a full statement of the interested party's position and by any information (wage payment data, project description, area practice material, etc.) that the requestor considers relevant to the issue.

3.) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

Administrative Review Board
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

4.) All decisions by the Administrative Review Board are final.

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END OF GENERAL DECISION

General Decision Number: PR180002 01/05/2018 PR2

Superseded General Decision Number: PR20170002

State: Puerto Rico

Construction Types: Heavy and Highway

Counties: Puerto Rico Statewide.

HEAVY AND HIGHWAY CONSTRUCTION PROJECTS.

Note: Under Executive Order (EO) 13658, an hourly minimum wage of \$10.35 for calendar year 2018 applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2015.

If this contract is covered by the EO, the contractor must pay all workers in any classification listed on this wage determination at least \$10.35 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract in calendar year 2018. The EO minimum wage rate will be adjusted annually. Please note that this EO applies to the above-mentioned types of contracts entered into by the federal government that are subject to the Davis-Bacon Act itself, but it does not apply to contracts subject only to the Davis-Bacon Related Acts, including those set forth at 29 CFR 5.1(a)(2)-(60). Additional information on contractor requirements and worker protections under the EO is available at www.dol.gov/whd/govcontracts.

Modification Number Publication Date
 0 01/05/2018

* SUPR1995-001 05/26/1995

	Rates	Fringes
CARPENTER.....	\$ 7.25	.50
CEMENT MASON/CONCRETE FINISHER...	\$ 7.25	.47
ELECTRICIAN.....	\$ 7.25	.80
IRONWORKER.....	\$ 7.25	
Laborers:		
Laborers (unskilled).....	\$ 7.25	.43
Pipelayers.....	\$ 7.25	
Line Construction:		
Linemen.....	\$ 7.25	.84
Telephone linemen: Ground & Pole.....	\$ 7.25	
PIPEFITTER.....	\$ 7.25	
PLUMBER.....	\$ 7.25	
Power equipment operators:		
Asphalt Lutens.....	\$ 7.25	3.11
Backhoe.....	\$ 8.25	.59
Bulldozer.....	\$ 7.25	.99
Crane.....	\$ 7.25	1.43
Diggers.....	\$ 7.25	

Grader.....	\$ 7.25	1.06
Greaser/Oilers.....	\$ 7.25	
Loaders.....	\$ 7.25	.92
Mechanics.....	\$ 7.25	.76
Paver.....	\$ 7.25	3.15
Roller.....	\$ 7.25	3.14
SCRAPERS:		
18 CY and over.....	\$ 8.10	.59
less than 18 CY.....	\$ 7.80	.59
less than 185 HP.....	\$ 8.00	.59
Screedman.....	\$ 8.80	3.13
TRACTORS:		
185 HP and over.....	\$ 8.10	.59
SCRAPERS		

TRUCK DRIVER.....\$ 7.25

WELDERS - Receive rate prescribed for craft performing operation to which welding is incidental.

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Note: Executive Order (EO) 13706, Establishing Paid Sick Leave for Federal Contractors applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2017. If this contract is covered by the EO, the contractor must provide employees with 1 hour of paid sick leave for every 30 hours they work, up to 56 hours of paid sick leave each year. Employees must be permitted to use paid sick leave for their own illness, injury or other health-related needs, including preventive care; to assist a family member (or person who is like family to the employee) who is ill, injured, or has other health-related needs, including preventive care; or for reasons resulting from, or to assist a family member (or person who is like family to the employee) who is a victim of, domestic violence, sexual assault, or stalking. Additional information on contractor requirements and worker protections under the EO is available at www.dol.gov/whd/govcontracts.

Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (ii)).

The body of each wage determination lists the classification and wage rates that have been found to be prevailing for the cited type(s) of construction in the area covered by the wage determination. The classifications are listed in alphabetical order of "identifiers" that indicate whether the particular rate is a union rate (current union negotiated rate for local), a survey rate (weighted average rate) or a union average rate (weighted union average rate).

Union Rate Identifiers

A four letter classification abbreviation identifier enclosed in dotted lines beginning with characters other than "SU" or "UAVG" denotes that the union classification and rate were prevailing for that classification in the survey.

Example:

PLUM0198-005 07/01/2014. PLUM is an abbreviation identifier of the union which prevailed in the survey for this classification, which in this example would be Plumbers. 0198 indicates the local union number or district council number where applicable, i.e., Plumbers Local 0198. The next number, 005 in the example, is an internal number used in processing the wage determination. 07/01/2014 is the effective date of the most current negotiated rate, which in this example is July 1, 2014.

Union prevailing wage rates are updated to reflect all rate changes in the collective bargaining agreement (CBA) governing this classification and rate.

Survey Rate Identifiers

Classifications listed under the "SU" identifier indicate that no one rate prevailed for this classification in the survey and the published rate is derived by computing a weighted average rate based on all the rates reported in the survey for that classification. As this weighted average rate includes all rates reported in the survey, it may include both union and non-union rates. Example: SULA2012-007 5/13/2014. SU indicates the rates are survey rates based on a weighted average calculation of rates and are not majority rates. LA indicates the State of Louisiana. 2012 is the year of survey on which these classifications and rates are based. The next number, 007 in the example, is an internal number used in producing the wage determination. 5/13/2014 indicates the survey completion date for the classifications and rates under that identifier.

Survey wage rates are not updated and remain in effect until a new survey is conducted.

Union Average Rate Identifiers

Classification(s) listed under the UAVG identifier indicate that no single majority rate prevailed for those classifications; however, 100% of the data reported for the classifications was union data. EXAMPLE: UAVG-OH-0010 08/29/2014. UAVG indicates that the rate is a weighted union average rate. OH indicates the state. The next number, 0010 in the example, is an internal number used in producing the wage determination. 08/29/2014 indicates the survey completion date for the classifications and rates under that identifier.

A UAVG rate will be updated once a year, usually in January of each year, to reflect a weighted average of the current negotiated/CBA rate of the union locals from which the rate is based.

WAGE DETERMINATION APPEALS PROCESS

1.) Has there been an initial decision in the matter? This can be:

* an existing published wage determination

- * a survey underlying a wage determination
- * a Wage and Hour Division letter setting forth a position on a wage determination matter
- * a conformance (additional classification and rate) ruling

On survey related matters, initial contact, including requests for summaries of surveys, should be with the Wage and Hour Regional Office for the area in which the survey was conducted because those Regional Offices have responsibility for the Davis-Bacon survey program. If the response from this initial contact is not satisfactory, then the process described in 2.) and 3.) should be followed.

With regard to any other matter not yet ripe for the formal process described here, initial contact should be with the Branch of Construction Wage Determinations. Write to:

Branch of Construction Wage Determinations
Wage and Hour Division
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

2.) If the answer to the question in 1.) is yes, then an interested party (those affected by the action) can request review and reconsideration from the Wage and Hour Administrator (See 29 CFR Part 1.8 and 29 CFR Part 7). Write to:

Wage and Hour Administrator
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

The request should be accompanied by a full statement of the interested party's position and by any information (wage payment data, project description, area practice material, etc.) that the requestor considers relevant to the issue.

3.) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

Administrative Review Board
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

4.) All decisions by the Administrative Review Board are final.

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END OF GENERAL DECISION

General Decision Number: PR180002 01/05/2018 PR2

Superseded General Decision Number: PR20170002

State: Puerto Rico

Construction Types: Heavy and Highway

Counties: Puerto Rico Statewide.

HEAVY AND HIGHWAY CONSTRUCTION PROJECTS.

Note: Under Executive Order (EO) 13658, an hourly minimum wage of \$10.35 for calendar year 2018 applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2015.

If this contract is covered by the EO, the contractor must pay all workers in any classification listed on this wage determination at least \$10.35 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract in calendar year 2018. The EO minimum wage rate will be adjusted annually. Please note that this EO applies to the above-mentioned types of contracts entered into by the federal government that are subject to the Davis-Bacon Act itself, but it does not apply to contracts subject only to the Davis-Bacon Related Acts, including those set forth at 29 CFR 5.1(a)(2)-(60). Additional information on contractor requirements and worker protections under the EO is available at www.dol.gov/whd/govcontracts.

Modification Number Publication Date
0 01/05/2018

* SUPR1995-001 05/26/1995

	Rates	Fringes
CARPENTER.....	\$ 7.25	.50
CEMENT MASON/CONCRETE FINISHER...	\$ 7.25	.47
ELECTRICIAN.....	\$ 7.25	.80
IRONWORKER.....	\$ 7.25	
Laborers:		
Laborers (unskilled).....	\$ 7.25	.43
Pipelayers.....	\$ 7.25	
Line Construction:		
Linemen.....	\$ 7.25	.84
Telephone linemen: Ground & Pole.....	\$ 7.25	
PIPEFITTER.....	\$ 7.25	
PLUMBER.....	\$ 7.25	
Power equipment operators:		
Asphalt Lutets.....	\$ 7.25	3.11
Backhoe.....	\$ 8.25	.59
Bulldozer.....	\$ 7.25	.99

Crane.....	\$ 7.25	1.43
Diggers.....	\$ 7.25	
Grader.....	\$ 7.25	1.06
Greaser/Oilers.....	\$ 7.25	
Loaders.....	\$ 7.25	.92
Mechanics.....	\$ 7.25	.76
Paver.....	\$ 7.25	3.15
Roller.....	\$ 7.25	3.14
SCRAPERS:		
18 CY and over.....	\$ 8.10	.59
less than 18 CY.....	\$ 7.80	.59
less than 185 HP.....	\$ 8.00	.59
Screedman.....	\$ 8.80	3.13
TRACTORS:		
185 HP and over.....	\$ 8.10	.59
SCRAPERS		

TRUCK DRIVER.....\$ 7.25

WELDERS - Receive rate prescribed for craft performing operation to which welding is incidental.

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Note: Executive Order (EO) 13706, Establishing Paid Sick Leave for Federal Contractors applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2017. If this contract is covered by the EO, the contractor must provide employees with 1 hour of paid sick leave for every 30 hours they work, up to 56 hours of paid sick leave each year. Employees must be permitted to use paid sick leave for their own illness, injury or other health-related needs, including preventive care; to assist a family member (or person who is like family to the employee) who is ill, injured, or has other health-related needs, including preventive care; or for reasons resulting from, or to assist a family member (or person who is like family to the employee) who is a victim of, domestic violence, sexual assault, or stalking. Additional information on contractor requirements and worker protections under the EO is available at www.dol.gov/whd/govcontracts.

Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (ii)).

The body of each wage determination lists the classification and wage rates that have been found to be prevailing for the cited type(s) of construction in the area covered by the wage determination. The classifications are listed in alphabetical order of "identifiers" that indicate whether the particular rate is a union rate (current union negotiated rate for local), a survey rate (weighted average rate) or a union average rate (weighted union average rate).

Union Rate Identifiers

A four letter classification abbreviation identifier enclosed in dotted lines beginning with characters other than "SU" or "UAVG" denotes that the union classification and rate were prevailing for that classification in the survey.

Example:

PLUM0198-005 07/01/2014. PLUM is an abbreviation identifier of the union which prevailed in the survey for this classification, which in this example would be Plumbers. 0198 indicates the local union number or district council number where applicable, i.e., Plumbers Local 0198. The next number, 005 in the example, is an internal number used in processing the wage determination. 07/01/2014 is the effective date of the most current negotiated rate, which in this example is July 1, 2014.

Union prevailing wage rates are updated to reflect all rate changes in the collective bargaining agreement (CBA) governing this classification and rate.

Survey Rate Identifiers

Classifications listed under the "SU" identifier indicate that no one rate prevailed for this classification in the survey and the published rate is derived by computing a weighted average rate based on all the rates reported in the survey for that classification. As this weighted average rate includes all rates reported in the survey, it may include both union and non-union rates. Example: SULA2012-007 5/13/2014. SU indicates the rates are survey rates based on a weighted average calculation of rates and are not majority rates. LA indicates the State of Louisiana. 2012 is the year of survey on which these classifications and rates are based. The next number, 007 in the example, is an internal number used in producing the wage determination. 5/13/2014 indicates the survey completion date for the classifications and rates under that identifier.

Survey wage rates are not updated and remain in effect until a new survey is conducted.

Union Average Rate Identifiers

Classification(s) listed under the UAVG identifier indicate that no single majority rate prevailed for those classifications; however, 100% of the data reported for the classifications was union data. EXAMPLE: UAVG-OH-0010 08/29/2014. UAVG indicates that the rate is a weighted union average rate. OH indicates the state. The next number, 0010 in the example, is an internal number used in producing the wage determination. 08/29/2014 indicates the survey completion date for the classifications and rates under that identifier.

A UAVG rate will be updated once a year, usually in January of each year, to reflect a weighted average of the current negotiated/CBA rate of the union locals from which the rate is based.

WAGE DETERMINATION APPEALS PROCESS

1.) Has there been an initial decision in the matter? This can be:

- * an existing published wage determination
- * a survey underlying a wage determination
- * a Wage and Hour Division letter setting forth a position on a wage determination matter
- * a conformance (additional classification and rate) ruling

On survey related matters, initial contact, including requests for summaries of surveys, should be with the Wage and Hour Regional Office for the area in which the survey was conducted because those Regional Offices have responsibility for the Davis-Bacon survey program. If the response from this initial contact is not satisfactory, then the process described in 2.) and 3.) should be followed.

With regard to any other matter not yet ripe for the formal process described here, initial contact should be with the Branch of Construction Wage Determinations. Write to:

Branch of Construction Wage Determinations
Wage and Hour Division
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

2.) If the answer to the question in 1.) is yes, then an interested party (those affected by the action) can request review and reconsideration from the Wage and Hour Administrator (See 29 CFR Part 1.8 and 29 CFR Part 7). Write to:

Wage and Hour Administrator
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

The request should be accompanied by a full statement of the interested party's position and by any information (wage payment data, project description, area practice material, etc.) that the requestor considers relevant to the issue.

3.) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

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U.S. Department of Labor
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END OF GENERAL DECISION

General Decision Number: PR180003 01/05/2018 PR3

Superseded General Decision Number: PR20170003

State: Puerto Rico

Construction Type: Residential

Counties: Puerto Rico Statewide.

RESIDENTIAL CONSTRUCTION PROJECTS (consisting of single family homes and apartments up to and including 4 stories)

Note: Under Executive Order (EO) 13658, an hourly minimum wage of \$10.35 for calendar year 2018 applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2015.

If this contract is covered by the EO, the contractor must pay all workers in any classification listed on this wage determination at least \$10.35 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract in calendar year 2018. The EO minimum wage rate will be adjusted annually. Please note that this EO applies to the above-mentioned types of contracts entered into by the federal government that are subject to the Davis-Bacon Act itself, but it does not apply to contracts subject only to the Davis-Bacon Related Acts, including those set forth at 29 CFR 5.1(a)(2)-(60). Additional information on contractor requirements and worker protections under the EO is available at www.dol.gov/whd/govcontracts.

Modification Number	Publication Date
0	01/05/2018

* SUPR1993-002 10/29/1993

	Rates	Fringes
CARPENTER.....	\$ 7.25	.65
CEMENT MASON/CONCRETE FINISHER...	\$ 7.25	
ELECTRICIAN.....	\$ 7.25	.64
IRONWORKER.....	\$ 7.25	.63
Laborer, Unskilled.....	\$ 7.25	.36
PAINTER.....	\$ 7.25	
PLUMBER.....	\$ 7.25	.56
Power equipment operators:		
Cranes.....	\$ 7.25	1.14
Diggers.....	\$ 7.25	
TRUCK DRIVER.....	\$ 7.25	

WELDERS - Receive rate prescribed for craft performing operation to which welding is incidental.

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Note: Executive Order (EO) 13706, Establishing Paid Sick Leave for Federal Contractors applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2017. If this contract is covered by the EO, the contractor must provide employees with 1 hour of paid sick leave for every 30 hours they work, up to 56 hours of paid sick leave each year. Employees must be permitted to use paid sick leave for their own illness, injury or other health-related needs, including preventive care; to assist a family member (or person who is like family to the employee) who is ill, injured, or has other health-related needs, including preventive care; or for reasons resulting from, or to assist a family member (or person who is like family to the employee) who is a victim of, domestic violence, sexual assault, or stalking. Additional information on contractor requirements and worker protections under the EO is available at www.dol.gov/whd/govcontracts.

Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (ii)).

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Washington, DC 20210

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END OF GENERAL DECISION