

**COMMONWEALTH OF PUERTO RICO  
PUERTO RICO ELECTRIC POWER AUTHORITY**

**FIRST AMENDMENT**

**PROFESSIONAL SERVICES CONTRACT**

**2019-P00122A**

**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 83 of May 2, 1941, as amended (Act 83), 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: CPM PR, LLC (Contractor), a corporation organized and existing under the laws of Puerto Rico, herein represented by its Vice-President, José Raúl Torres Morales, of legal age, married, executive and a resident of San Juan, duly authorized to appear in representation of the Contractor by Resolution dated <sup>9/15</sup> March 9, 2020. -----

Both PREPA and Consultant are herein individually referred to as a "Party" and collectively referred to as the "Parties". -----

**WITNESSETH**

In consideration of the mutual covenants and agreements contained in this Amendment, hereinafter stated, the Parties agree themselves, their personal representatives, and successors as follows: -----

**STATE**

WHEREAS: PREPA, by virtue of Act 83, has the authority to engage those professional, technical and consulting services necessary and convenient for its activities, programs, and operations. -----

WHEREAS: The appearing Parties executed Professional Services Contract 2019-P00122 (Contract) on June 30, 2019, to provide services related to the management and control of the documentation associated with the execution of the projects, assistance to ensure compliance with federal regulations, performance of field inspections, and providing management, advice, and other tasks related to the administration of the reconstruction contracts. The Contract had a maximum amount of six million dollars (\$6,000,000) through June 30, 2020. This Contract was authorized by Resolution 4708 of PREPA's Governing Board on May 29, 2019. -----

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WHEREAS: During Fiscal Years 2018-2019 and 2019-2020 PREPA awarded nine contracts for streetlight repairs. PREPA does not have enough employees to cover the field work and inspections required to guarantee that the contractors are carrying out the assigned tasks according to the contract terms. -----

WHEREAS: PREPA has assigned CPM tasks related to the streetlights contracts critical in maintaining the required, detailed documentation for FEMA. These tasks bring as a consequence that the Contractor consumed the 75% of their contract's total budget in a shorter time than expected. -----

WHEREAS: For the abovementioned situation the Program Management, Restructuring and Fiscal Affairs Office (PMO), required an increase to the Contract Amount of three million five hundred thousand dollars (\$3,500,000). -----

WHEREAS: On February 26, 2020, PREPA's Governing Board, through Resolution 4764 authorized the amendment of the Contract to increase the Contract Amount by three million five hundred thousand dollars (\$3,500,000). -----

WHEREAS: The Parties recognized the necessity to include in the Contract a safety clause. -----

THEREFORE: In order to continue receiving the Contractor's services and to include a safety clause the appearing the Parties hereby agree to enter into this First Amendment under the following: -----

**TERMS AND CONDITIONS**

9B  
FIRST: The Parties agree to amend the Article III. Compensation and Payment, to increase the Contract Amount by three million five hundred thousand dollars (\$3,500,000). The Parties recognize that the total Contract Amount for Fiscal Year 2019-2020 will be nine million five hundred thousand dollars (\$9,500,000). The remaining language of Article III, as amended, shall remain unaltered and fully enforceable. -----

All payments performed under this Amendment will be charged to PREPA's budget account number 01-1747-17595-550-474. -----

SECOND: The Parties agree to include Article XVI Safety to read as follow:

**XVI. Safety**

All work performed must be in compliance to 29 CFR 1910 and 29 CFR 1926, and any additional safety PREPA requires.

THIRD: As for the original Contract, Consultant will continue to comply with all applicable State Law, Regulations or Executive Orders that regulate the contracting process and requirements of the Commonwealth of Puerto Rico. Particularly, Act 237-2004, as amended, which establishes uniform contracting requirements for professional services. -----

A. Consultant shall provide, at the execution date of this First Amendment, the following documents: -----

1. Certificate issued by the Treasury Department of Puerto Rico which indicates that  
9/15 Consultant 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. -----
2. An Income Tax Return Filing Certificate, issued by the Treasury Department of Puerto Rico, Area of Internal Revenues, assuring that Consultant has filed his Income Tax Return for the last five (5) tax years. -----
3. Certificate issued by the Municipal Revenues Collection Center (MRCC), demonstrating that Consultant does not owe any tax. -----
4. Certificate issued by the Municipal Revenues Collection Center (MRCC), indicates that Consultant has filed the Personal Property Tax Return to such governmental agency. -----

5. Certificate issued by the Department of Labor and Human Resources of Puerto Rico, that indicates that Consultant has paid to the Department of Labor and Human Resources of Puerto Rico its employee contributions in accordance with the Puerto Rico Employment Security Act (unemployment, temporary disability or sickness), or is paying such contributions by an installment plan and is in full compliance with its terms.-----
6. Certificate issued by the Department of Labor and Human Resources of Puerto Rico, that indicates that Consultant has paid to the Department of Labor and Human Resources of Puerto Rico its employee contributions in accordance with the Puerto Rico Employment Security Act (social security for chauffeurs), or *qm* is paying such contributions by an installment plan and is in full compliance with its terms.-----
7. Certificate issued by the Puerto Rico Child Support Administration (ASUME) assuring that Consultant is in compliance with the collection of child support payments. -----
8. A copy of the Merchant Registration Certificate. -----
9. Puerto Rico Sales and Use Tax Return Filing Certificate, issued by the Treasury Department of Puerto Rico, Area of Internal Revenues, assuring that Consultant is in compliance with it. -----
10. Good Standing Certificate issued by the State Department of Puerto Rico. -----

Consequences of Non-Compliance

Consultant expressly agrees that the conditions outlined throughout this Section A are essential requirements of the Contract. Consequently, should any one of these representations, warranties or certifications be incorrect, inaccurate or misleading, in whole or in part, there shall be sufficient cause for PREPA to render the Contract null and void. If any of the certifications listed in this Section A shows a debt, and Consultant has requested a review or adjustment of this debt, Consultant hereby certifies that it has made such request at the time of the Amendment execution. If the requested review or adjustment is denied and such determination is final, Consultant <sup>9/15</sup> will provide, immediately, to PREPA a proof of payment of this debt; otherwise, Consultant accepts that the owed amount be offset by PREPA and retained at the origin, deducted from the corresponding payments. Consultant accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each and every subcontractor, if any approved by PREPA, whose service Consultant has secured in connection with the Services to be rendered under the Contract and shall send evidence to PREPA as to its compliance with this requirement. -----

FOURTH: Any and all necessary dispensations have been obtained from any government entity and that said dispensations shall become part of the contracting record. -----

FIFTH: Consultant acknowledges and accepts that it is knowledgeable of the rules of ethics of his or her profession and assumes responsibility for his or her own actions. -----

SIXTH: Consultant agrees that 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. -----

SEVENTH: Consultant hereby agrees to comply with the provisions of Act 2-2018, known as the Anti-Corruption Code for the New Puerto Rico. -----

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----Consultant shall furnish a sworn statement to the effect that neither Consultant nor any president, vice president, executive director or any member of a board of officials or board of directors, or any person performing equivalent functions for Consultant 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.-----

Consultant hereby certifies that it has not been convicted in Puerto Rico or United States Federal court 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 this Contract in the event Consultant  
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  
9A of Puerto Rico.-----

EIGHTH: Consultant understands and agrees that PREPA is prohibited to process any  
payment under the Contract until the enumerated certifications and sworn statements are  
submitted to PREPA. -----


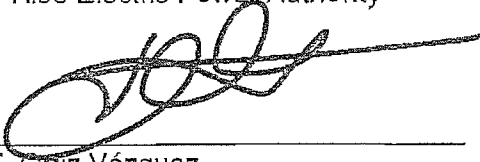
NINETH: The Parties agree that all other terms, conditions, specifications, stipulations,  
insurances, and requirements established in the Contract shall remain unaltered and fully  
enforceable. -----  
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In WITNESS WHEREOF, the Parties hereto have agreed to execute this  
First Amendment of the Contract in San Juan, Puerto Rico, on this 17 day of  
March, 2020. -----

Puerto Rico Electric Power Authority

CPM PR, LLC



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José F. Ortiz Vázquez  
Chief Executive Officer

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José Raúl Torres Morales  
Vice-President

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