2019-P00125

GOVERNMENT OF PUERTO RICO PUERTO RICO ELECTRIC POWER AUTHORITY PROFESSIONAL SERVICES 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 No. 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: Tetra Tech, Inc. (Consultant), a corporation organized and
existing under the laws of the State of Delaware, United States of America, and registered
to do business in Puerto Rico, represented in this act by its Director, Mister Fernando L.
Pagés Rangel, of legal age, married, and resident of Carolina, Puerto Rico, authorized by
virtue of Corporate Resolution dated June 17, 2019
Both PREPA and Consultant are herein individually referred to as a Party and collectively
referred to as the Parties
WITNESSETH
WHEREAS, PREPA, by virtue of Act. 83 PREPA has the authority to engage those
professional, technical and consulting services necessary and convenient to its activities,
programs and operations;
NOW, THEREFORE, in consideration of the mutual covenants and agreements
contained in this Contract, hereinafter stated, the Parties agree themselves, their personal
representatives, and successors to enter into this Contract under the following:

-----TERMS AND CONDITIONS------

Article 1. Scope of Services

1.1 The Consultant undertakes to provide PREPA, as required, professional services necessary and appropriate in the engineering phase, such as testing and/or feasibility studies and performance; designs for different improvement projects of generating plants, transmission and distribution systems and the irrigation, dams and reservoirs system. In addition, Consultant will provide consulting services in engineering, construction management and inspection, as well as technical advice and preparation of operating permits request, construction, licensing and compliance testing of the new or modified units to be established in accordance with PREPA's Plan Integrated Resources Plan. Also the Consultant agrees with PREPA to provide the following services (Services):

A. Studies:

The Consultant, at the request of the PREPA, will conduct feasibility studies, environmental studies or others who are required to obtain licenses for new and existing generating units, and other related projects.

B. Environmental Documents:

The Consultant shall prepare all documents on environmental concerns or other documents required by state and federal agencies regarding the assessment, construction and operation of the generating units or projects assigned to it and send copy of said documents to PREPA specifying the steps performed. The Consultant will need prior written approval of the Planning and Environmental

others. -----

Protection Directorate to file any application for environmental permit or of any
other nature
C. Plans and Specifications:
The Consultant will prepare plans and specifications and will deliver them to the
PREPA for approval. Also, the Consultant will conduct those studies, prepare
reports, and draft documents as required by PREPA under the functions assigned
to it under the provisions of this Contract
In consideration of the agreements reached in this Contract, the parties agree that
PREPA will provide the Consultant's personnel access to all facilities and equipment to
perform the services and will ensure that the required information is made available to
Consultant in a timely manner. Consultant shall be entitled to rely on the accuracy of data
and information provided by PREPA or others without independent review or evaluation
All studies, reports, plans, specifications and other documents that the Consultan
prepares or drafts under the obligations set forth in this Contract, shall be owned by
PREPA. PREPA may authorize the use of such information by others for other purposes
that are not those specified in this Contract
1.2 At the direction of PREPA, the Consultant may be required to work with othe
consulting, legal, investment, or other type of firms. The Parties agree to discuss
such assignment in advance, so that all the Parties have a clear understanding as
to their responsibilities. The Consultant is not responsible for worked performed by

Professional Services Contract - Tetra Tech, Inc. Page 4

Article 2. Services Coordination

All the Services of Consultant in relation to the terms and conditions of this Contract will be coordinated through PREPA's Planning and Environmental Director or the person designated by him.

Article 3. Contract Assignment or Subcontract

The Consultant shall not assign nor subcontract its rights and obligations under this Contract, 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) the Consultant delivers to PREPA a copy of the subcontract, not less than thirty (30) 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 Consultants' rights under the subcontract, in the event that PREPA declares the Consultant in breach or default of any of the Contract 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 Consultants' obligations under the Contract (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. These services shall be paid as part of the Contract Amount, as stated in Article 6, Payment. ------



Article 4. Contract Term

This Contract shall be in effect from the date of its execution until June 30, 2020 (The Contract Period). The Contract may be extended, for an additional annual fiscal period, at the exclusive option of PREPA and subject to the availability of funds, only by written amendment agreed upon by both Parties.

Article 5. Contract Termination

5.1 PREPA shall have the right to terminate this Contract, at any time, with thirty (30) days prior written notice by registered mail, return receipt requested, or overnight express mail to the Consultant. If notice is given, the Contract shall terminate upon the expiration of the 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. The rights, duties and responsibilities of the Parties shall continue in full force and effect during the thirty (30) day notice period. The Consultant shall have no further right to compensation except for what has been accrued for services rendered and expenses incurred under the Contract until said date of effective termination.

- 5.2 PREPA shall have the right to terminate this Contract immediately in the event of negligence, dereliction of duties or noncompliance by the Consultant, without prior written notice.
- 5.3 The Parties acknowledge that PREPA is undergoing a transformation process, and therefore, both Parties agree that in the eventuality of the execution of a Partnership Contract, Sale Contract or any other PREPA Transaction (as these terms are defined in Act 120-2018), PREPA may sell, assign, convey, transfer, pledge,

Article 6. Payment

6.1 In accordance with the terms and conditions contained herein, PREPA agrees and Consultant accepts that the total amount to be paid under the Contract shall not exceed a cumulative amount of two million dollars (\$2,000,000), including reimbursable expenses (the "Contract Amount"). All payments to be made under this Contract will be charged to account 01-4019-93000-556-630. 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 Consultant under the Contract.

6.2 Nothing herein shall preclude the Parties from agreeing to increase said amount in writing and signed by both Parties. ------

- 6.3 PREPA will compensate the Consultant for the service provided on a time and material basis, according to the rates established in Appendix A. The engineering and scientific analyses and design works, and regulatory compliance works carried out through this Contract, will be paid based on a fixed price, as presented on each proposal and as agreed prior to the start of each work assignment.
- 6.4 Should the Consultant assign another person to attend to PREPA's matters pursuant to this Contract, the Consultant shall promptly send PREPA an amended schedule to include such person's name, position and rate, as well as request approval from PREPA.
- 6.5 All invoices submitted by the Consultant shall be subject to PREPA's approval before being paid. Its payment shall be made during the sixty (60) days after the date of its receipt by PREPA.
- Shall review Consultant's invoices for payment approval. PREPA's review shall identify amounts that are correctly invoiced pursuant to the terms of the Contract and amounts that are incorrectly invoiced pursuant to the terms of the Contract, if any. Within ten (10) days of invoice receipt PREPA shall either; (i) approve the total invoice amount for payment; or (ii) approve that portion of the invoiced amount for payment which has been correctly invoiced pursuant to the terms of the Contract and shall notify Consultant in writing stating the specific reason why the remaining portion of the invoice is incorrect according to the terms of the Contract. Upon approval by the Planning and Environmental Protection Directorate, the approved portion of the invoice shall be submitted to the Finance Directorate (or

such other department(s) as required) for payment which shall occur within thirty (30) days after final approval by Finance Directorate.-----

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

Article 7. Reimbursable Expense

- 7.1 PREPA should not be billed for (a) time spent in processing conflict searches, preparing billing statements, or in responding to PREPA inquiries concerning Consultant's invoices; or (b) travel time during which Consultant is billing another client for work performed while traveling. Moreover, PREPA requires that only professional services be billed. Accordingly, PREPA should not be billed for the administrative tasks of creating, organizing, reviewing and/or updating files; routine or periodic status reports; receiving, reviewing, and/or distributing mail; faxing or copying documents; checking electronic mail or converting information to disk. -----

- 7.3 PREPA will not reimburse Consultant for: (a) costs included in a 'miscellaneous' or 'other' category of charges; (b) overhead costs and expenses-such as those relating to fees for time or overtime expended by support staff (secretaries, administrative/clerical personnel, internal messengers, and other similar services), word processing and/or proofreading, cost of supplies or equipment, and/or other similar costs of doing business; (f) time spent attending education seminars or training programs; or (h) mark-ups or surcharges on any cost or expense. In addition, if communications are sent to PREPA using more than one medium, PREPA does not expect to pay for the cost of both communications. For instance, if a piece of correspondence is sent to PREPA by email, we do not expect to pay for the cost of that same correspondence if it is also sent via regular or expedited mail.
- 7.4 PREPA will reimburse Consultant for separately itemized expenses and disbursements in the following categories: ------
 - 7.4.1 Messenger/courier service PREPA will reimburse actual charges billed to Consultant for deliveries (including overnight deliveries) where this level of service is required because of time constraints imposed by PREPA or because of the need for reliability given the nature of the items being transported. Appropriate summaries of messenger/courier expenses must reflect the date and cost of the service and the identity of the sender and the recipient or the points of transportation.
 - 7.4.2 Travel PREPA will reimburse actual charges for transportation and hotels reasonable and necessary for effective services to PREPA. PREPA will not pay for any first-class or business-class travel. Summaries of transportation

23

7.4.4 Maximum Per Diem Rates (no proof of payment will be required): ----
Meals: - \$57 per person for each traveling day for persons working "on-site" at PREPA. Under no circumstances PREPA will reimburse alcoholic beverages. ------

Lodging (standard not smoking room): - \$200 per person, per night not including government fees and taxes. The Consultant will use the most economical alternative of lodging, including temporary rentals of apartments

- 7.4.5 Reimbursable expenses shall not exceed six percent (6%) of the Contract

 Amount in one year and will be reimbursed by PREPA through the presentation of acceptable evidence for such expenses. ------
- 7.4.6 Photocopying/printing PREPA will reimburse actual charges for outside binding, and printing services and costs of outside photocopying services, which are not to exceed five (5) cents per page for black and white copies, and twenty-five (25) cents per page for color copies. Summaries of expenditures for copying should reflect both the number of copies made and the cost per copy.
- 7.4.7 Third-Party Services The approval of PREPA must be obtained in writing prior to retaining any third-party services. The Consultant shall be responsible for ensuring that there are no conflicts of interest between any third party and PREPA or between any third-party clients and PREPA. In addition, all arrangements with third-party vendors should include an appropriate undertaking of confidentiality and data privacy. Invoices from

third-party vendors should be paid directly by Consultant, incorporated into its invoice to PREPA and should include appropriate detail. Copies of third-party invoices may be requested by PREPA and should be retained in accordance with PREPA's guidelines.

7.4.8 PREPA reserves the right to question the charges on any bill (even after payment) and to obtain a discount or refund of those charges that are disputed. At PREPA's request, copies of bills and records reflecting reimbursable expenses must be provided to PREPA.

Article 8. Invoices

8.1 Consultant shall submit its invoices on a monthly basis for the work already performed during the preceding month. For time and material task orders, Consultant will provide to PREPA an invoice for each billing period which will include a description of the services rendered and the number of hours spent by each person. For fixed price task orders, Consultant will provide an invoice for each billing period which will include milestone and percent complete of lump sum, for all work specified in the proposal, including labor, materials, equipment, and other direct costs (i.e., reproduction, travel cost, lodging and per diem). The invoice for professional services shall be itemized and must be duly certified by an authorized representative of the Consultant. The Consultant shall allocate any invoiced fees between: (i)

8.2 PREPA will review the invoices upon receipt, and if they are in compliance with the requirements set forth in this Contract, it will proceed with their payment. Payment

activities undertaken outside of Puerto Rico; and (ii) those relating to activities

is due sixty (60) days after the receipt of the invoice. PREPA reserves the right to
conduct the audits it deems necessary, and it will not be subject to finance charges
regarding invoice payments subject to an audit
All invoices submitted by Consultant shall include the following Certification in orde
to proceed with its payment:

No Interest Certification:

8.3

"We certify under penalty of nullity that no public servant of PREPA will derive or obtain any benefit or profit of any kind from the contractual relationship which is the basis of this invoice. If such benefit or profit exists, the required waiver has been obtained prior to entering into the Contract. The only consideration to be received in exchange for the performance of the Services provided is the agreed-upon price that has been negotiated with an authorized representative of the PREPA. The total amount shown on this invoice is true and correct. The Services have been rendered, and no payment has been received".

Consultant'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, Consultant shall require that subcontractors providing Services, if any have been approved by PREPA, also make the certification set forth above in any invoices submitted in connection with the Services.

Article 9. Transfer of Funds

9.1 If Consultant 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, Consultant 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.

9.2 Consultant acknowledges and agrees that PREPA may deduct any amount, due or payable under this Contract, that Consultant owes; PREPA may retain any said amount if Consultant 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. Consultant 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 Consultant is entitled to under this Contract.

9.3 Consultant 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 10. <u>Information and Material Facts</u>

10.1 PREPA shall promptly provide to Consultant all information under the control of PREPA and necessary for Consultant to perform the Services under this Contract and those material facts that Consultant may reasonably require in order to provide its Services to PREPA. PREPA will ensure, to the best of its knowledge and belief, that the documents, data, and other information and material facts provided to Consultant, which are under its control, are true and complete, and do not constitute

misleading or inaccurate information and Consultant shall be entitled to rely on the accuracy and completeness of the documents, data, and other information and material facts.

10.2 PREPA will advise in writing Consultant of any developments of which PREPA becomes aware, and which PREPA considers may have a material effect with respect to the information and/or facts provided to Consultant.

Article 11. Information Disclosure and Confidentiality

- 11.1 The Parties shall take all reasonable steps to keep confidential and use only for the purposes contemplated by the terms of the Contract the information provided by PREPA and/or Consultant, and take all reasonable steps to ensure that such information is not disclosed or distributed by its employees or agents in violation of the terms of this Contract.
- 11.3 The term "confidential information" shall include, but not be limited to, all information provided to Consultant by PREPA or at PREPA's direction regarding its facilities or operations and any and all information gathered or developed by Consultant

- (i) is or becomes public other than through a breach of this Contract; --
- (ii) is known to the receiving Party prior to the date of this Contract and with respect to which the receiving Party does not have any obligation of confidentiality; or ------
- (iii) is independently developed by the receiving Party without use of, or reference to, confidential information.
- 11.5 If this Contract terminates for any reason, Consultant shall maintain in strictest confidence both; during the term of this Contract and subsequent to termination of this Contract, and shall not during the term of this Contract or thereafter disclose or divulge to any person, firm, or corporation, or use directly or indirectly, for its own benefit or the benefit of others, any information which in good faith and good conscience ought to be treated as confidential information including, without

11.6 The above provisions do not apply with respect to information, which Consultant is requested to disclose under applicable law and regulations, court order, subpoena or governmental directives, in which case Consultant shall provide PREPA prompt notice of such request in order to procure for PREPA a reasonable opportunity to oppose such disclosure. Consultant agrees to expeditiously notify and submit to PREPA a copy of any court order or subpoena and to the extent possible provide any assistance to PREPA (in the form of documents) regarding the submission of such information.

25

Article 12. Rights and Titles

- All rights, titles and interest in any reports, documents, analyses, investigations and any other by-product conceived or developed by the Consultant exclusively for PREPA as a result of performing its obligations under this Contract shall be the exclusive property of PREPA. The Consultant shall retain all right, title, and interest in and to proprietary works of authorship, pre-existing or otherwise, that have not been created specifically for PREPA under this Contract. With the exception of items marked as "CONFIDENTIAL" by the Consultant, PREPA shall retain the right to use, refer, share, or provide to any third party, as PREPA may determine, the results of any reports, documents, analyses, investigations or any other by-product of the Services performed by the Consultant under this Contract.

Article 13. Copyright

Consultant and PREPA shall jointly defend any suit or action brought against either party based on a claim that any document, report, study, analysis, copyrighted composition, article or any by-product of those, either used in the performance of the Services by Consultant or provided to PREPA by Consultant as part of its Services, or used in the performance of this Contract, including their use by PREPA, constitutes an infringement

of any patents or copyrights of the United States. The Party of this Contract subject to the claim or that becomes aware of a potential claim shall promptly notify in writing the other Party of this Contract, and give the authority, information, and assistance reasonable and necessary for the defense of such claim.

Article 14. Warranty

14.1 Consultant 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"). Should any of the Services provided by Consultant not fulfill the above established Standard, Consultant 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 Consultant shall not be understood as a waiver by PREPA to any other remedy it may have under this Contract or under the law or equity for any damages that Consultant's may have caused to it by rendering such deficient Services.

14.2 No other warranty, express or implied, is made or intended by this Contract, by furnishing oral or written reports of findings made, or by any other act of Consultant.

Article 15. Responsibility for Damages

The appearing Parties agree that their responsibilities for damages under this Contract will be governed by the Puerto Rico Civil Code and its case law, as dictated by the Supreme Court of Puerto Rico.

Article 16. Independent Contractor

- 16.1 Consultant shall be considered as an independent contractor, for all material purposes under this Contract, and all persons engaged or contracted by Consultant for the performance of its obligations herein, shall be considered as its employees or agents, and not as employees or agents of PREPA.
- 16.2 As an independent contractor, Consultant shall not be entitled to any fringe benefits, such as, but not limited to vacation, sick leave, and to which PREPA's employees are entitled.

Article 17. Employees not to Benefit

Article 18. Conflict of Interest

- 18.2 Consultant acknowledges that in executing its services pursuant to this Contract it has a duty of complete loyalty towards PREPA which includes not having conflict of interest. "Conflict of Interest" means representing clients who have or may have interests that are contrary to PREPA, but does not include rendering services that

18.4

are unrelated to the services covered in this Contract. Also, Consultant shall have the continuous obligation to disclose to PREPA all information and circumstances of its relations with clients and third persons that would result in a conflict of interest which would influence the Consultant when performing its responsibilities under this Contract. If the Consultant is required to provide services to another entity of the Executive Branch under the provisions of Article 29 and such services could result in a conflict of interests, the Consultant will notify PREPA in writing as provided in this Article.

- The Parties understand and agree that a conflict of interest exists when Consultant must advocate a position or outcome on behalf of any existing or future client that is contrary to PREPA's interests. Also, any conduct defined in the Rules of Professional Conduct regarding conflict of interests shall apply to Consultant and its personnel.
 - In the event that any of the partners, directors, agents or employees of Consultant engaged in providing services under this Contract should incur in the conduct described herein, said conduct shall constitute a violation of the prohibitions provided herein.
- 18.5 Consultant's partners, directors, agents or employees and personnel shall avoid even the appearance of the existence of conflicting interests. ------
- 18.6 Consultant acknowledges that PREPA's Chief Executive Officer shall have the power to intervene with the acts of Consultant and/or its agents, employees, and subcontractors regarding the enforcement of the prohibitions contained herein. In the event that the existence of adverse interests is discovered, PREPA's Chief

18.7 The Consultant certifies that, at the time of the execution of this Contract, it does not have nor does it represents anyone who has Conflict of Interests with PREPA.

If such Conflict of Interest arises after the execution of this Contract, the Consultant shall notify PREPA immediately.

Article 19. Notices

To PREPA:

Puerto Rico Electric Power Authority

PO Box 364267

San Juan, Puerto Rico 00936-4267

Attention:

José F. Ortiz Vázquez

Chief Executive Officer

To Consultant:

Tetra Tech, Inc

251 Recinto Sur, Suite 200

Professional Services Contract - Tetra Tech, Inc. Page 23

Viejo San Juan, Puerto Rico 00901-1886

Attention:

Fernando L. Pagés Rangel

Director

Article 20. Applicable Law and Venue

This Contract shall be governed by and construed in accordance with the laws of the Commonwealth of Puerto Rico. Also, the 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 21. Change in Law

During the term of this Contract, any change in law, including, but not limited to changes in applicable tax law, which cause an increase in Consultant's costs when providing the services, shall be Consultant's responsibility and PREPA shall not be obligated to increase the Contract Amount.

Article 22. Force Majeure

- 22.1 The Parties shall be excused from performing their respective responsibilities and obligations under this Contract and shall not be liable in damages or otherwise, if and only to the extent that they are unable to perform or are prevented from performing by a force majeure event.
- 22.2 For purposes of this Contract, force majeure means any cause without the fault or negligence, and beyond the reasonable control of, the Party claiming the occurrence of a force majeure event.

Article 23. Novation

- 23.1 The Parties expressly agree that no amendment or change order, which could be made to the Contract during its term, shall be understood as a contractual novation, unless both Parties agree to the contrary, specifically and in writing. ----

Article 24. Severability

If a court of competent jurisdiction declares any of the Contract provisions as null and void or invalid, such holding will not affect the validity and effectiveness of the remaining

obligations under such provisions not included in the judicial declaration.

Article 25. Save and Hold Harmless

Article 26. Insurance

The Consultant 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:

1. Commonwealth of Puerto Rico Workmen's Compensation Insurance:

The Consultant shall provide Workmen's Compensation Insurance as required by the Workmen's Compensation Act 45-1935 of the Commonwealth of Puerto Rico.

2. Employer's Liability Insurance:

The Consultant 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 Consultant as result of bodily injury, by accident or disease, including death arising out 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.



3. Commercial General Liability Insurance:

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

4. <u>Commercial Automobile Liability Insurance</u>:

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

5. Professional Liability Insurance:

The Consultant shall provide a Professional Liability Insurance with limits of \$ 1,000,000 per claim and \$ 1,000,000 aggregate.

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, Puerto Rico 00936-4267

- b. A 30 day cancellation or nonrenewable notice to be sent to the above address.
- 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." ------
- f. Allocation of risk. It is agreed that the maximum recovery against Consultant for any and all claims, damages and/or liabilities under this Contract, whether in contract, tort, or otherwise shall not exceed the Contract amount, plus the limits under the applicable insurance coverages in Article 26. In no event shall either Party be liable, whether in contract, tort, or otherwise, for the other Party's loss of profits, delay damages, or for any special incidental or consequential loss or damage of any nature arising at any time of from any cause whatsoever. -------



Furnishing of Policies:

All required policies of insurance shall be	e in a form accept	able to P	REPA and sh	nall
be issued only by insurance com	panies authorize	ed to de	o business	in
Puerto Rico				
The Consultant shall furnish a certific	ate of insurance	in origina	al signed by	an
authorized representative of the insure	r in Puerto Rico,	describin	g the covera	ıge
afforded				

Article 27. Compliance with the Commonwealth of Puerto Rico Contracting Requirements

A. Executive Order Num. OE-1991-24 of June 18, 1991 to require certification of compliance with the Internal Revenue Services of the Commonwealth of Puerto Rico: Pursuant to Executive Order Number OE-1991-24 of June 18, 1991, the Consultant will certify and guarantee that it has filed all the necessary and required income tax returns to the Government of Puerto Rico for the last five (5) years. The Consultant further will certify that it has complied and is current with the payment of any and all income taxes that are, or were due, to the Government of Puerto Rico. The Consultant shall provide, to the satisfaction of PREPA, and whenever requested by PREPA during the term of this Contract, the necessary

a specific amount of time to produce said documents. During the term of this Contract, the Consultant agrees to pay and/or to remain current with any repayment plan agreed to by the Consultant with the Government of Puerto Rico.

B. Executive Order No. OE-1992-52 of August 28, 1992 to require certification of compliance with the Department of Labor of the Commonwealth of Puerto Rico. Pursuant to Executive Order Number 1992-52, dated August 28, 1992 amending OE-1991-24, the Consultant will certify and warrant that it has made all payments required for unemployment benefits, workmen's compensation and social security for chauffeurs, whichever is applicable, or that in lieu thereof, has subscribed a payment plan in connection with any such unpaid items and is in full compliance with the terms thereof. The Consultant accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each and every Consultant and Subcontractor whose service the Consultant has secured in connection with the services to be rendered under this Contract and shall forward evidence to PREPA as to its compliance with this requirement.

3

C. Government of Puerto Rico Municipal Tax Collection Center: The Consultant will certify and guarantee that it does not have any current debt with regards to property taxes that may be registered with the Government of Puerto Rico's Municipal Tax Collection Center (known in Spanish as Centro de Recaudación de Ingresos Municipales ("CRIM"). The Consultant further will certify to be current with the payment of any and all property taxes that are or were due to the Government of Puerto Rico. The Consultant shall provide, to the satisfaction of PREPA and

whenever requested by PREPA during the term of this Contract, Certification issued by the Municipal Revenues Collection Center (MRCC), assuring that Consultant does not owe any tax accruing to such governmental agency. To request such Certification, Consultant will use the form issued by the MRCC (called "CRIM-Certificados, Radicación, Estado de Cuenta y Todos los Conceptos" in the website). Consultant will deliver upon request any documentation requested by PREPA. During the Term of this Contract, the Consultant agrees to pay and/or to remain current with any repayment plan agreed to by the Consultant with the Government of Puerto Rico The Consultant shall provide a Personal Property Tax Filing Certification, issued by the MRCC which indicates that Consultant has filed its Personal Property Tax Return for the last five (5) contributory terms or Negative Debt certification issued by the MRCC with respect to real and property taxes and a sworn statement executed by Consultant indicating that (i) its revenues are derived from the rendering of professional services, (ii) during the last five (5) years (or the time in which it has been providing professional services) it has had no taxable business or personal property on the 1st of January of each year, (iii) that for such reasons it has not been required to file personal property tax returns, as required under Article 6.03 of Act 83-1991, as amended, and (iv) that for such reason it does not have an electronic

D. The Consultant shall furnish a Certification issued by the Treasury Department of Puerto Rico which indicates that Consultant does not owe Puerto Rico Sales and Use

taxes to the Commonwealth of Puerto Rico; or is paying such taxes by an installment plan and is in full compliance with its terms. -----E. The Consultant shall provide a Puerto Rico Sales and Use Tax Filing Certificate, issued by the Treasury Department of Puerto Rico assuring that Consultant has filed his Puerto Rico Sales and Use Tax for the last sixty (60) contributory periods. -----F. The Consultant shall provide a copy of Consultant's Certificate of Merchant's Registration issued by the Treasury Department of Puerto Rico. -----G. Puerto Rico Child Support Administration (ASUME): The Consultant shall present, to the satisfaction of PREPA, the necessary documentation certifying that the Consultant nor any of its owners, affiliates of subsidiaries, if applicable, have any debt, outstanding debt, or legal procedures to collect child support payments that may be registered with the Puerto Rico Child Support Administration (known in Spanish as the Administración Para El Sustento de Menores (ASUME). Consultant will be given a specific amount of time to deliver said documents. 3 L.P.R.A. § 8611 et seq.; -----H. The Consultant shall provide a Good Standing Certificate issued by the Department of State of Puerto Rico. -----The Consultant shall provide a Certification of Incorporation, or Certificate of Authorization to do business in Puerto Rico issued by the Department of State of J. Special Contribution for Professional and Consulting Services: As required by Act 48-2013, as amended, PREPA will withhold a special contribution of one point five percent (1.5%) of the gross amounts paid under this Contract.-----

- L. Income Tax Retention Law: PREPA shall deduct and withhold ten percent (10%) of any and all payments to residents of the Commonwealth of Puerto Rico as required by the Internal Revenue Code of Puerto Rico. In case of US citizens and Non-US citizens, which are nonresidents of the Commonwealth of Puerto Rico the Consultant will retain twenty percent (20%) and twenty-nine percent (29%) respectively. PREPA will remit such withholdings to the Government of Puerto Rico's Treasury Department (known in Spanish as *Departamento de Hacienda de Puerto Rico*). The Consultant will request PREPA not to make such withholdings if, to the satisfaction of PREPA, the Consultant timely provides a release from such obligation by the Government of Puerto Rico's Treasury Department. 3 L.P.R.A. § 8611 et seq., 2011 L.P.R. 232; 232-2011.
- M. Compliance with Act No. 1 of Governmental Ethics: The Consultant will certify 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 PREPA 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.; ------

- Q. Prohibition with respect to contracting with officers or employees: 3 L.P.R.A. 8615(d): 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

- T. Prohibition with respect to execution by public officers' contracts with former public officers: 3 L.P.R.A. 8615(h): 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.

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

V. Rules of Professional Ethics: The Consultant acknowledges and accepts that it is knowledgeable of the rules of ethics of his/her profession and assumes responsibility for his/her own actions. ------

If any of the previously required Certifications shows a debt, and Consultant has requested a review or adjustment of this debt, Consultant will certify that it has made such request at the time of the Contract execution. If the requested review or adjustment is denied and such determination is final, Consultant 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.

Article 28. Anti-Corruption Code for a New Puerto Rico

Human Resources in the Government of Puerto Rico or any of the crimes included in Consultant 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 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 of Puerto Rico. -----Consequences of Non-Compliance: The Consultant expressly agrees that the conditions outlined throughout this Article are essential requirements of this Contract. Consequently,

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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 the PREPA to render this Contract null and void, and the Consultant shall reimburse the PREPA all moneys received under this Contract.

Article 29. <u>Termination by the Chief of Staff of the Governor of Puerto Rico and Interagency Agreements</u>

Pursuant to Memorandum No. 2017-001, Circular Letter 141-17, of the Office of the Chief of Staff of the Governor of Puerto Rico (Secretaría de la Gobernación) and the Office of Management and Budget (Oficina de Gerencia y Presupuesto – OGP), the Chief of Staff shall have the authority to terminate this Contract at any time. If so directed by the Chief of Staff, PREPA will terminate this Contract by delivering to the Consultant a notice of termination specifying the extent to which the performance of the work under this Contract is terminated, and the effective date of termination. Upon the effective date of termination, the Consultant shall immediately discontinue all services affected and deliver to PREPA all information, studies and other materials property of PREPA. In the event of a termination by notice, PREPA shall be liable only for payment of services rendered up to and including the effective date of termination. -----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 Office of the Chief of Staff. These services will be performed under the same terms and conditions in terms of hours of work and

compensation set forth in this Contract. For the purpose of this Article, the term

Professional Services Contract - Tetra Tech, Inc. Page 38

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

Article 30. Non-Discrimination

The Consultant agrees that it will not discriminate against any employee or applicant for employment on account of race, color, gender, age, sex, national or social origin, social status, political ideas or affiliation, religion, for being or perceived to be a victim of domestic violence, sexual aggression or harassment, regardless of marital status, sexual orientation, gender identity or immigrant status, for physical or mental disability, for veteran status or genetic information.

Article 31. Entire Contract

Puerto Rico Electric Power Authority

Tetra Tech, Inc.

José F. Ortiz Vazguez Chief Executive Officer

Tax ID: 660-43-3747

Fernando L. Pagés Rangel

Director

Tax ID: 954-14-8514



Exhibit A

2019 HOURLY RATES SUMMARY TABLE

TITLE/CLASSIFICATION	2019 RATE	2020 RATE	2021 RATE	2022 RATE
ENGINEERS / SCIENTISTS /	2017 KATE	2020 KATE	2021 10112	ZUZZ KATE
Eng/Sci/Planner Technician I	\$38.19	\$39.38	\$40.60	\$41.86
	\$49.86	\$51.41	\$53.00	\$54.64
Eng/Sci/Planner Technician II	\$58.35			
Eng/Sci/Planner Technician III		\$60.16	\$62.02	\$63.95
Eng/Sci/Planner Technician IV	\$70.02	\$72.19	\$74.43	\$76.74
Eng/Sci/Planner Staff I	\$77.45	\$79.85	\$82.32	\$84.87
Eng/Sci/Planner Staff II	\$88.05	\$90.78	\$93.60	\$96.50
Eng/Sci/Planner Staff III	\$99.72	\$102.82	\$106.00	\$109.29
Eng/Sci/Planner Staff IV	\$110.33	\$113.75	\$117.28	\$120.92
Eng/Sci/Planner Staff V	\$120.94	\$124.69	\$128.56	\$132.54
Eng/Sci/Planner Staff VI	\$132.61	\$136.72	\$140.96	\$145.33
Eng/Sci/Planner Staff VII	\$143.22	\$147.66	\$152.24	\$156.96
Eng/Sci/Planner Staff VIII	\$154.89	\$159.69	\$164.64	\$169.75
Eng/Sci/Planner Senior Staff I	\$165.50	\$170.63	\$175.92	\$181.37
Eng/Sci/Planner Senior Staff II	\$176.11	\$181.57	\$187.20	\$193.00
Eng/Sci/Planner Senior Staff III	\$187.78	\$193.60	\$199.60	\$205.79
Eng/Sci/Planner Senior Staff IV	\$198.39	\$204.54	\$210.88	\$217.42
Eng/Sci/Planner Manager I	\$210.06	\$216.57	\$223.28	\$230.21
Eng/Sci/Planner Manager II	\$219.61	\$226.41	\$233.43	\$240.67
Senior Consultant I	\$237.69	\$245.06	\$252.66	\$260.49
Senior Consultant II	\$253.56	\$261.42	\$269.52	\$277.87
Senior Consultant III	\$270.53	\$278.92	\$287.56	\$296.48
GIS / DESIGNERS / DRAFTERS				
GIS / Design Staff I	\$77.45	\$79.85	\$82.32	\$84.87
GIS / Design Staff II	\$90.18	\$92.97	\$95.85	\$98.83
GIS / Design Staff III	\$107.15	\$110.47	\$113.90	\$117.43
GIS / Design Staff IV	\$120.94	\$124.69	\$128.56	\$132.54
GIS / Design Staff V	\$132.61	\$136.72	\$140.96	\$145.33
GIS / Design Staff VI	\$148.53	\$153.13	\$157.88	\$162.77
GIS / Design Manager I	\$165.50	\$170.63	\$175.92	\$181.37
FINANCIAL SUPPORT /				
Project Support Services I	\$70.02	\$72.19	\$74.43	\$76.74
Project Support Services II	\$79.57	\$82.03	\$84.58	\$87.20
Project Support Services III	\$94.42	\$97.35	\$100.36	\$103.48
Project Support Services IV	\$107.15	\$110.47	\$113.90	\$117.43
Project Support Services V	\$117.76	\$121.41	\$125.17	\$129.05
Project Support Services VI	\$130.49	\$134.54	\$138.71	\$143.01
Project Support Services VII	\$143.22	\$147.66	\$152.24	\$156.96
Project Support Services VIII	\$157.01	\$161.88	\$166.90	\$172.07
Project Support Services Manager	\$170.86	\$176.15	\$181.62	\$187.25
Project Support Services Manager	\$186.72	\$192.51	\$198.47	\$204.63

Rates apply from Jan 1st to Dec. 31st of each calendar year.