

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

**SECOND AMENDMENT
PROFESSIONAL SERVICES CONTRACT 86920**

2020-P00110 B

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, represented in this act by its Executive Director, Efran Paredes Maisonet, of legal age, married, engineer, and resident of Bayamón, Puerto Rico.-----

AS SECOND PARTY: Earth Engineers, Inc., (Consultant), a corporation organized and existing under the laws of Puerto Rico, and registered to do business in Puerto Rico, represented in this act by its President, Marcos O. Arocho Ramírez, of legal age, married, engineer and resident in Trujillo Alto, Puerto Rico, authorized by virtue of Corporate Resolution dated March 19, 2021.-----

WITNESSETH

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

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WHEREAS: The appearing Parties executed the Contract 86920 on June 10, 2020 with a maximum amount of two hundred fifteen thousand dollars (\$215,000) and effective until June 30, 2021, to provide his services as an engineer expert, in matters of the earthquake damages occurred on Costa Sur Plant (Costa Sur) during same year (earthquakes). Also,

the Consultant provides support to PREPA during the insurance's claims related to the engineering part of the work performed on the Costa Sur tanks that were severely damaged during the earthquakes. The Consultant services include meetings, conference calls, depositions, report explanations, sketches, engineering design, and general consulting engineering services regarding services rendered to PREPA, among others. Also, in matters of Costa Sur, the Consultant provides PREPA for the geotechnical engineering services, which include, but it is not limited to: Geotechnical and Foundation Engineering consultation, construction materials engineering, NDE Evaluations, materials testing services, specification review, construction and facilities inspection, and any other service related to Costa Sur works. -----

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WHEREAS: On April 26, 2021, the appearing Parties executed the First Amendment to the Contract 2020-P00110 (Contract), to increase the Contract amount by one hundred fifty thousand dollars (\$150,000) from two hundred fifteen thousand dollars (\$215,000) to three hundred sixty-five thousand dollars (\$365,000).-----

WHEREAS: In accordance with Article 4 of the Contract, Contract Term, it may be extended for an additional annual fiscal period, at the exclusive option of PREPA and subject to the availability of funds.-----

WHEREAS: PREPA needs to continue receiving the Consultant's services and requests an extension to the Contract's term for the next fiscal year, from July 1, 2021 through June 30, 2022.-----

In order to continue receiving the Consultant's services, the Parties hereby agree to amend the Contract as follows: -----

TERMS AND CONDITIONS

FIRST: The Parties agree to amend the Article 4 of the Contract, Contract Term, the Parties agree to extend the Contract's term from July 1, 2021 through June 30, 2022 (Fiscal Year 2021-2022). The remaining sentences and paragraphs of Article 4, not affected by this amendment shall remain unaltered and fully enforceable.-----

SECOND: For this next year extension the Parties agree to amend the Article 6 of the Contract, Payment, as follows:-----

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 three hundred thousand dollars (\$300,000), including reimbursable expenses (the "Contract Amount"). All payments to be made under this Contract will be charged to account 01-1748-17568-555-354. 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.-----

- PREPA will pay for the Services rendered by the Consultant an hourly rate of:
 - Professional Engineer (Trials, Courts and Hearings) - \$200/hr
 - Lead Licensed Professional Engineer (Geotechnical/Civil) - \$150/hr.
 - Licensed Professional Engineer/Designer - \$150/hr.
 - Assistant Engineer - \$90/hr.
 - CAD Draftsmen - \$55/hr.
 - Administrative - \$30/hr

6.3 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.-----

6.4 The Consultant shall immediately notify PREPA when the billing under the Contract amounts 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.-----

THIRD: The Parties acknowledge that PREPA is undergoing a transformation process, and therefore, both Parties agree that after the front-end transition period 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, mortgage, sublease, delegate, hypothecate, or otherwise dispose (each, a "Transfer") any of its rights, title, or interest in this Contract as permitted by applicable law and at any time, without Consultant's consent, and without cost, expense, or incremental liability to PREPA, to any future operator of Puerto Rico's electric power transmission and distribution system or any of its affiliates, or to any governmental agency, body, public corporation or municipality of Puerto Rico; provided, that PREPA shall notify Consultant no later than thirty (30) days before the effective date of any such Transfer.-----

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The Consultant acknowledges that all his responsibilities and obligations under the Contract, such as work to be performed and services to be provided, etc., will continue in full force and effect until the expiration of the thirty (30) day period. -----

FOURTH: The Consultant shall provide, before the execution of this First Amendment, the following documents and certifications: -----

- A. Certification issued by the Treasury Department of Puerto Rico which indicates that the 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. -----
- B. An Income Tax Return Filing Certificate, issued by the Treasury Department of Puerto Rico assuring that the Consultant has filed his Income Tax Return for the last five (5) tax years. -----

- C. A Puerto Rico Sales and Use Tax Filing Certificate, issued by the Treasury Department of Puerto Rico assuring that the Consultant has filed its Puerto Rico Sales and Use Tax for the last sixty (60) contributory periods. -----
- D. Certification issued by the Municipal Revenues Collection Center (MRCC), assuring that the Consultant does not owe any tax accruing during the last five (5) years to such governmental agency. -----
- E. A Personal Property Tax Filing Certification, issued by the MRCC which indicates that the Consultant has filed its Personal Property Tax Return for the last five (5) contributory terms. -----
- F. Certification, issued by the Child Support Administration, assuring that the Consultant is in compliance with the withholdings required by law as an employer.
- G. Certificate, issued by the Department of Labor and Human Resources of Puerto Rico, assuring that the Consultant has paid to the Department of Labor and Human Resources of Puerto Rico its employees' contributions accruing during the last five (5) years, in accordance with the Puerto Rico Employment Security Act (unemployment, temporary disability or sickness or social security for drivers/chauffeurs); or is paying such contributions by an installment plan in full compliance with its terms. -----
- H. Certificate of Merchant's Registration issued by the Treasury Department of Puerto Rico. -----
- I. Good Standing Certificate issued by the Department of State of Puerto Rico. -----

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J. Certification of Incorporation, or Certificate of Authorization to do business in Puerto Rico issued by the Department of State of Puerto Rico. If any of the previously required Certifications shows a debt, and the Consultant has requested a review or adjustment of this debt, the 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, the Consultant will provide, immediately, to PREPA a proof of payment of this debt; otherwise, the Consultant accepts that the owed amount be offset by PREPA and retained at the origin, deducted from the corresponding payments. -----

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The Consultant expressly agrees that the conditions outlined throughout this Article are essential requirements of this 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 the PREPA to render this Contract null and void. -----

FIFTH: The Consultant shall furnish a sworn statement to the effect that neither the 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 the 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 (Act 8-2017) or

any of the crimes included in Act 2-2018, known as Anticorruption Code for a New Puerto Rico (Act 2-2018).-----

The 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 (Act 1-2012), any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code (Act 146-2012), any of the crimes typified in Act 2-2018, as amended, 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. -----

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PREPA shall have the right to terminate the Contract in the event the 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, any of the crimes listed in Articles 250 through 266 of Act 146-2012, any of the crimes typified in Act 2-2018, as amended, 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. -----

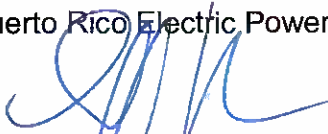
SIXTH: The Parties acknowledge that the Consultant has submitted the certification titled "Contractor Certification Requirement" required in accordance with the Contract Review Policy of the Financial Oversight and Management Board for Puerto Rico, effective as of November 6, 2017 and amended on October 30, 2020, signed by the Consultant's Executive Director (or another official with an equivalent position or authority to issue such

certifications). A signed copy of the "Contractor Certification Requirement" is included as
an annex to this Amendment of Contract.-----

SEVENTH: The Parties agree that all other terms and conditions, established in the
Contract shall remain unaltered and fully enforceable. -----

In WITNESS WHEREOF, the Parties hereto have agreed to execute this Second
Amendment in San Juan, Puerto Rico, on this 2 day of June, 2021. -----

Puerto Rico Electric Power Authority



Efran Paredes Maisonet
Executive Director
Social Security Number: 660-43-3747

Earth Engineers, Inc.



Marcos O. Arocho Ramirez
President
Social Security Number 660-72-9050

Puerto Rico Electric Power Authority
Contractor Certification Requirement

The following certification shall be provided to the Puerto Rico Electric Power Authority by the Chief Executive Officer (or equivalent highest rank officer) of each proposed contractor under contracts submitted for review:

1. The expected contractor's subcontractor(s) in connection with the proposed contract¹ is (are) the following:

Subcontractor	Principal or Owner	Role	Amount Payable
Virella, Crespo & Associates	Juan C. Virella Crespo	President	\$42,000.00

2. Neither the contractor nor any of its owners,² partners, directors, officials or employees, has agreed to share or give a percentage of the contractor's compensation under the contract to, or otherwise compensate, any third party, whether directly or indirectly, in connection with the procurement, negotiation, execution or performance of the contract, except as follows:

- **Does Not Apply.**

3. To the best knowledge of the signatory (after due investigation), no person has unduly intervened in the procurement, negotiation or execution of the contract, for its own benefit or that of a third person, in contravention of applicable law.
4. To the best knowledge of the signatory (after due investigation), no person has: (i) offered, paid, or promised to pay money to; (ii) offered, given, or promised to give anything of value to; or (iii) otherwise influenced any public official or employee with the purpose of securing any advantages, privileges or favors for the benefit of such person in connection with the contract (such as the execution of a subcontract with contractor, beneficial treatment under the contract, or the written or unwritten promise of a gift, favor, or other monetary or non-monetary benefit).

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

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

Contractor Certification Requirement
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5. Neither the contractor, nor any of its owners, partners, directors, officials or employees or, to the best of its knowledge (after due investigation), its representatives or sub-contractors, has required, directly or indirectly, from third persons to take any action with the purpose of influencing any public official or employee in connection with the procurement, negotiation or execution of the contract, in contravention of applicable law.
6. Any incorrect, incomplete or false statement made by the contractor's representative as part of this certification shall cause the nullity of the proposed contract and the contractor must reimburse immediately to the Puerto Rico Electric Power Authority any amounts, payments or benefits received from the Puerto Rico Electric Power Authority under the proposed contract.

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

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

By: Marcos O. Arocho-Ramírez, P.E., CCSI

Date: February 24, 2021

Signature: Marcos O. Arocho-Ramírez