



## GOVERNMENT OF PUERTO RICO

Puerto Rico Electric Power Authority  
Governing Board

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### RESOLUTION 4699 SARGENT & LUNDY, LLC

- WHEREAS:** The Puerto Rico Electric Power Authority (PREPA) is a public corporation and an instrumentality of the Government of Puerto Rico created by Act 83 of May 2, 1941, as amended (Act 83). PREPA was created to provide electrical energy in a reliable way, contributing to the general welfare and sustainable future of the people of Puerto Rico, maximizing benefits and minimizing social, environmental and economic impacts. In addition, PREPA provides a service based on affordable, fair, reasonable and non-discriminatory cost that is consistent with environmental protection, non-profit, focused on citizen participation and its clients.
- WHEREAS:** Act 83 authorizes PREPA to grant contracts and formalize all the instruments that are necessary or convenient in the exercise of any of its powers.
- WHEREAS:** Section 15(1)(a) of Act 83 states that all purchases made and contracts for supplies or services, except professional services, entered into by PREPA, including capital construction contracts, shall follow a bid process.
- WHEREAS:** According to Section 15(2)(d) of Act 83, a competitive bidding process shall not be necessary, when professional or expert services or work are required and PREPA deems it in the best interest of good administration for such works or services to be contracted without said process.
- WHEREAS:** As Mr. Fernando Padilla-Padilla, PREPA's Restructuring and Fiscal Affairs Administrator of the Project Management and Innovation Office, indicated in his memorandum of May 15, 2019, Sargent & Lundy, LLC (Contractor), has been providing engineering and financial consulting services to PREPA, including expert testimony services related to the electric system, among others. Also, the Contractor has been working with privatization and transformation efforts to meet the financial goals. The Contract between PREPA and the Contractor expires on June 30, 2019, with a maximum amount of \$5,896,064.



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WHEREAS: PREPA needs the Contractor's services during Fiscal Year 2019-2020 to maintain continuity with the privatization and transformation goals assigned to it.

WHEREAS: Mr. Padilla-Padilla requests authorization to execute a professional services contract with the Contractor for a maximum amount of \$9,873,900, for Fiscal Year 2019-2020.

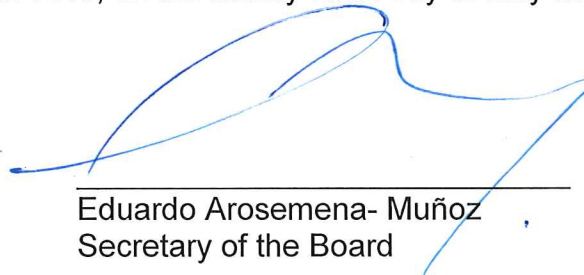
WHEREAS: On May 20, 2019, the Finance Directorate certified the availability of funds in the budget for Fiscal Year 2019-2020, for this Contract.

WHEREAS: PREPA's General Counsel considered Mr. Padilla-Padilla's memorandum and concluded that the procurement of these services may be carried out through a professional services contract without a competitive bid process, according to the faculty granted to PREPA by Section 15(2)(d) of Act 83.

THEREFORE: In accordance with Act 83, PREPA's Governing Board resolves to:

1. Authorize the Chief Executive Officer to execute the Professional Services Contract with Sargent & Lundy, LLC, for a maximum amount of \$9,873,900, for Fiscal Year 2019-2020.
2. The General Counsel will review the terms and conditions of the contract to ensure that they meet the legal requirements regarding government contracting.

Approved in San Juan, Puerto Rico, on the twenty-ninth day of May two thousand nineteen.



Eduardo Arosemena- Muñoz  
Secretary of the Board