



## GOVERNMENT OF PUERTO RICO

Puerto Rico Electric Power Authority  
Governing Board

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### RESOLUTION 4702 CRUZ ALDECOA, PSC

- 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 interests of good administration for such works or services to be contracted without said process.
- WHEREAS: PREPA continues to be under significant pressure to release audited financial statements for fiscal year 2017 and 2018. Also, the 2019 year-end closing process and the audit process are complex and the Finance Directorate does not have sufficient personnel to work with it, because of the workforce reduction.
- WHEREAS: Currently, Cruz Aldecoa, P.S.C. (Contractor) provides professional services to PREPA in the preparation of: financial statements; cash flow statement; supplementary schedules; reporting package, and any other analysis or work necessary to issue the financial statements for the



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years ending on June 30, 2016, 2017 and 2018, respectively. The Contract, as amended, is effective until June 30, 2019, with an amount of \$650,000.

WHEREAS: Mr. Nelson Morales-Rivera, PREPA's Chief Financial Officer, requests authorization to formalize a professional services contract with the Contractor for financial services, for Fiscal Year 2019-2020.

WHEREAS: Mr. Morales Rivera recommends a professional services contract with an estimated amount of \$595,000, for one year and an additional one-year extension, at PREPA's option and subject to availability of funds.

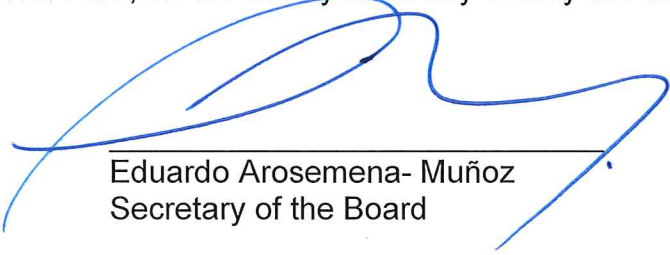
WHEREAS: On April 15, 2019, the Finance Directorate certified the availability of funds in the budget for Fiscal Year 2019-2020, for this Contract.

WHEREAS: PREPA's General Counsel considered Mr. Morales-Rivera's memorandum and concluded that the financial services necessary for technical accounting and financial support for PREPA, 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 a Professional Services Contract with Cruz Aldecoa, P.S.C., for a maximum amount of \$595,000, for Fiscal Year 2019-2020, and an additional one-year extension, at PREPA's option and subject to the availability of funds.
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