



GOVERNMENT OF PUERTO RICO

Puerto Rico Electric Power Authority
Governing Board

RESOLUTION 4787 **PROFESSIONAL SERVICES CONTRACT 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, in the management of its purposes, to grant contracts and formalize all the instruments that are necessary or convenient in the exercise of any of its powers.

WHEREAS: Act 83 grants PREPA the faculty to make the procurement of professional or expert services or work directly, without a competitive bid process, when it deems it in the best interest of good administration for such works or services to be contracted without the use of a bid process. Notwithstanding the foregoing, as part of the administrative policy of PREPA's Governing Board (Governing Board) to promote more transparency in the contracting process, in order to grant a contract of over \$500,000, the stakeholder is required to perform a Request for Proposal (RFP) process for the professional services that are needed.

WHEREAS: PREPA is moving forward toward its transformation path to meet its financial goals. To overcome this objective, PREPA has procured services to assist with technical, financial, and contract support. Some of the specialized services are: contract and optimization support, transmission and distribution roadmap planning, market sounding, support with insurance claims and expert witness support, fuel gas master planning, generation repowering planning, IE reports support, strategic planning and support, among others.

WHEREAS: PREPA is facing a limitation in its internal resources, coupled with an imperative necessity to continue receiving the aforementioned services.

WHEREAS: On April 6, 2020, RFP 103430 was issued for technical support and advice in the engineering, planning and strategic project management areas. The following companies were invited to register for the procurement event:



PO Box 364267 San Juan, Puerto Rico 00936-4267

- a. Black and Veatch Puerto Rico
- b. Burns & MacDonnell Caribbean (Puerto Rico) LLC (Burns & MacDonnell)
- c. Sargent & Lundy, LLC (Sargent & Lundy)

WHEREAS: Mr. Fernando Padilla-Padilla, Program Management Office, Restructuring and Fiscal Affairs Administrator, indicated that two proposals were received, from Burns & MacDonnell and Sargent & Lundy.

WHEREAS: The Evaluation Committee of RFP 103430 issued a recommendation to award the RFP to Sargent & Lundy, considering that they presented a proposal with evidence of experience and resumes that was deemed as suited for the tasks. Also, the Committee expressed that their description on how to achieve the objectives set forth in RFP 103430 was considered as superior, because it provided great detail on the explanation of work for each task, and deliverables' description of reports. Also, they provided the best rates.

WHEREAS: On May 5, 2020, PREPA's Chief Financial Officer, Mr. Nelson Morales-Rivera, certified the availability of funds in the budget for Fiscal Year 2020-2021.

WHEREAS: PREPA's General Counsel considered Mr. Padilla-Padilla's memorandum and concluded that the professional services contract with Sargent & Lundy may be carried out, according to the faculty granted to PREPA by Sections 15(2) (d) of Act 83, and after the approval by the Governing Board.

THEREFORE: In accordance with Act 83, this Governing Board resolves to:

1. Confirm the selection performed by the Evaluation Committee for RFP 103430 for technical support and advice in the engineering, planning and strategic project management areas.
2. Authorize PREPA's Chief Executive Officer to execute the professional services contract with Sargent & Lundy for a maximum amount of \$9,000,000, effective from July 1, 2020, until June 30, 2021.

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

A handwritten signature in blue ink, consisting of a series of fluid, connected loops and strokes, positioned above a horizontal line.

Eduardo Arosemena-Muñoz
Secretary of the Board