



GOVERNMENT OF PUERTO RICO

Puerto Rico Electric Power Authority
Governing Board

RESOLUTION 4807 FOURTH AMENDMENT – BANCO POPULAR DE PUERTO RICO

- 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: On February 3, 2017, PREPA and Banco Popular of Puerto Rico (Banco Popular) signed Contract 2017-P00076 (Contract) for the services on remote stations, *Telepago* Popular, collection efforts, lockbox, payment stations and point of sales. Banco Popular provides electronic invoicing services through the Internet.
- WHEREAS: This Contract has been extended three times: on December 29, 2017, through Resolution 4571; on June 29, 2018, through Resolution 4610, and on June 30, 2019, through Resolution 4718. This Contract is effective until June 30, 2020, with a maximum amount of four million four hundred thousand dollars (\$4,400,000) for Fiscal Year 2019-2020.
- WHEREAS: As stated in Ms. Noriette Figueroa-Meléndez's, Customer Service Director, memorandum of May 29, 2020, the Customer Service Directorate (CSD) prepared the contract requisitions for each service individually, to ensure the best provider selection and explore other possibilities, in terms of costs. The CSD received a notification from the Procurement Division establishing that the final evaluation process will require additional time, since they just started approaching other finance institutions.



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WHEREAS: Ms. Figueroa-Meléndez indicated that the CSD estimates that the selection process will need at least six additional months until the Procurement Division can assure a complete evaluation that could guarantee the best provider for these services in terms of price and service guarantees, without representing an interruption in the services currently provided.

WHEREAS: The services of Banco Popular are essential to continue with PREPA's customer collections and maintain our incomes.

WHEREAS: In order to continue receiving from Banco Popular, the abovementioned services, Ms. Figueroa-Meléndez requests a time extension of the Contract, from July 1 to December 31, 2020, with an increase in the Contract Amount of two million two hundred thousand dollars (\$2,200,000), for the services to be provided during the six-month extension period.

WHEREAS: PREPA's General Counsel evaluated the legal aspects of Ms. Figueroa-Meléndez request and concluded, that the time extension is allowed by the Contract and the Fourth Amendment to Contract 2017-P00076 may be carried out, according to the faculty granted to PREPA by Act 83, after the approval of PREPA's Governing Board.

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

1. Authorize the Fourth Amendment to Contract 2017-P00076, to extend its term from July 1 to December 31, 2020, with an increase in the Contract Amount of two million two hundred thousand dollars (\$2,200,000), for the services to be provided during the extension period.
2. Authorize the Chief Executive Officer to execute the Fourth Amendment to Contract 2017-P00076. All the remaining terms of the Contract shall remain in full force and effect.

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



Eduardo Arosemena-Muñoz
Secretary of the Board