



GOVERNMENT OF PUERTO RICO

Puerto Rico Electric Power Authority
Governing Board

RESOLUTION 4808 SEVENTH AMENDMENT – ORIENTAL BANK

- 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 March 29, 2016, PREPA and Oriental Bank (Oriental) signed Contract 2016-P00063 (Contract) for the services of electronic processing of payments received through the following channels: 1) Customer Service Center of PREPA (Customer Service Representative); 2) PREPA's Website (Internet); 3) Recurrent Debit (Preauthorized Payments); 4) Automated payment by telephone through IVR (Interactive Voice Response) by telephone number (787) 521-2121 or any other assignment by PREPA.
- WHEREAS: This Contract has been extended six times, on July 2, 2016, through Resolution 4392 of June 28, 2016; December 14, 2016, through Resolution 4443 of December 14, 2016; May 30, 2017, through Resolution 4506 of May 23, 2017; November 30, 2017, through Resolution 4561 of October 25, 2017; June 29, 2018 through Resolution 4609 of May 30, 2018 and June 30, 2019, through Resolution 4718 of June 26, 2019. The Contract is effective until June 30, 2020, with a maximum amount of one million two hundred thousand dollars (\$1,200,000) for fiscal year 2019-2020.



PO Box 364267 San Juan, Puerto Rico 00936-4267

WHEREAS: As stated in Ms. Noriette Figueroa-Meléndez's, Customer Service Director, memorandum of June 10, 2020, PREPA issued a Request for Proposals (RFP) 105044 process to request offers for the aforementioned services. This event was published on Power Advocate, PREPA's official electronic sourcing platform, on May 13, 2020. The Procurement Division has informed that RFP 105044 is in its evaluation phase.

WHEREAS: In order to conclude the RFP 105044 process and provide the required transition, 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 nine hundred thousand dollars (\$900,000), for the services to be provided during the six-month extension period.

WHEREAS: At present, the electronic payments, which are the services provided by Oriental, represent a 60% of the total payments collected in PREPA. An interruption in these services will affect significantly PREPA's income. The services of Oriental are essential to continue with PREPA's customer collections and maintain our incomes.

WHEREAS: On June 8, 2020, PREPA's Chief Financial Officer, Mr. Nelson Morales-Rivera, certified the availability of \$900,000 in the budget for Fiscal Year 2020-2021.

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

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

1. Authorize the Seventh Amendment to Contract 2016-P00063, to extend its term, from July 1 to December 31, 2020, or until PREPA concludes a competitive process for the electric payments processing services and executes the new contract, whichever comes first, with an increase in the Contract Amount of nine hundred thousand dollars (\$900,000), for the services to be provided during the extension period.

2. Authorize the Chief Executive Officer to execute the Seventh Amendment to Contract 2016-P00063. 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