



GOVERNMENT OF PUERTO RICO

Puerto Rico Electric Power Authority
Governing Board

RESOLUTION 4813 FIRST AMENDMENT – THE CLARO GROUP, 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 its capital construction contracts, shall follow a bid process.
- WHEREAS: On March 17, 2020, PREPA and The Claro Group, LLC (Claro) executed Professional Services Contract 2020-P00089, to provide services of quantification and preparation of insurance claims, related to the damages caused by the Earthquake that affected Puerto Rico, on January 7, 2020. The Contract is effective until June 30, 2020, with a Contract Amount of \$481,325.
- WHEREAS: As Mr. Nelson Morales-Rivera, Chief Financial Officer, and Mr. Sammy Rodríguez-Ortega, Risk Manager Office Administrator, stated in their memorandum of June 1, 2020, the collection of information and handling of this type of insurance claims is extremely complex due to the extent of the damage to PREPA's insured property and the extra expenses resulting from the loss of generation from the Costa Sur Power Plant, caused by the Earthquake of January 7, 2020.



PO Box 364267 San Juan, Puerto Rico 00936-4267

WHEREAS: Although PREPA has already provided and submitted a substantial amount of information, there is still extensive documentation needed to comply with all the Requests for Information (RFI) submitted by PREPA's insurers such as, damage documentation and estimates. PREPA needs to continue receiving Claro's services in order to complete the claims process regarding all damages.

WHEREAS: In order to continue receiving Claro's services, Mr. Morales and Mr. Rodríguez request a First Amendment to the Contract to extend its term from July 1, 2020 to June 30, 2021, and increase its maximum amount by \$1,445,345, from \$481,325 to \$1,926,670.

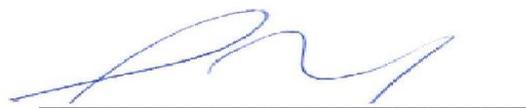
WHEREAS: On May 28, 2020, the Finance Directorate certified the availability of \$1,445,345 in the budget for Fiscal Year 2019-2020, for this First Amendment to the Contract.

WHEREAS: PREPA's General Counsel evaluated the legal aspects of Mr. Morales and Mr. Rodríguez's request and concluded that the time extension is allowed by the Contract, and the First Amendment to Contract 2020-P00089 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 First Amendment to Contract 2020-P00089, to extend its term, from July 1st, 2020 to June 30, 2021, with an increase in the Contract Amount of \$1,445,345, for the services to be provided during Fiscal Year 2020-2021.
2. Authorize the Chief Executive Officer to execute the First Amendment to Contract 2020-P00089. 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