

COMMUNITY DEVELOPMENT BLOCK GRANT – DISASTER RECOVERY (CDBG-DR)

**AMENDMENT A to AGREEMENT FOR
INFORMATION TECHNOLOGY CONSULTING SERVICES
BETWEEN THE
PUERTO RICO DEPARTMENT OF HOUSING
AND
GM SECTEC, CORP.
Contract No. 2021-DR 0105**



THIS AMENDMENT A to AGREEMENT FOR INFORMATION TECHNOLOGY CONSULTING SERVICES, (hereinafter referred to as the "Agreement") is entered into in San Juan, Puerto Rico, this 25 of February, 2022, by and between the **PUERTO RICO DEPARTMENT OF HOUSING** (hereinafter, "PRDOH"), a public agency created under Law No. 97 of June 10, 1972, as amended, 3 L.P.R.A. § 441 et seq., known as the Department of Housing Governing Act with principal offices at 606 Barbosa Avenue, San Juan, Puerto Rico, 00918, herein represented by William O. Rodríguez Rodríguez, attorney, of legal age, single, and resident of San Juan, Puerto Rico, in his capacity as Secretary; and **GM SECTEC, CORP.** (hereinafter, the "CONTRACTOR"), with principal offices in 1590 Ponce de León Avenue, Suite 200, San Juan, Puerto Rico 00926, herein represented by Walter J. Cervoni Cruz, in his capacity as Executive Vice President and Chief Technology & Innovation Officer (CTIO), of legal age, married, and resident of Guaynabo, Puerto Rico duly authorized by Resolution by the CONTRACTOR.

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I. RECITALS AND GENERAL AWARD INFORMATION

WHEREAS, on March 9, 2021, the PRDOH and the Contractor entered into an Agreement, which was registered under Contract No. 2021-DR0105, for the performance of Information Technology Consulting Services in connection with the CDBG-DR Program (the "Agreement").

WHEREAS, the PRDOH and the Contractor, agreed that, for allowable Information Technology Consulting Services performed during the term of the Agreement, PRDOH would pay a maximum amount no to exceed of **FIVE HUNDRED TWENTY-THREE THOUSAND TWO HUNDRED DOLLARS WITH ZERO CENTS (\$523,200.00)** ending on March 8, 2022.

WHEREAS, the Parties wish to amend the Agreement to extend the term until March 8, 2024. The remaining balance of the Agreement will be redistributed according to the services that will be need in this new phases and no additional pump of money will be requested. Additionally, Exhibit D (Compensation Schedule/Cost Form) will be replaced.

WHEREAS, this Amendment also conforms the agreement to federal, state, and local regulations and statutes.

WHEREAS, this Amendment A is not intended to affect nor does it constitute an extinctive novation of the obligations of the parties under the Agreement but is rather a modification and amendment of certain terms and conditions under this Agreement;

WHEREAS, the Parties wish to amend the Agreement, as amended, and become subject to the terms of the Agreement, as amended, and this Amendment A.

NOW THEREFORE, in consideration of the mutual promises and the terms and conditions set forth herein, the PRDOH and the CONTRACTOR agree as follows:

II. AMENDMENT

- A. The Parties agree to amend **Article II. TERM OF AGREEMENT, paragraph A** as follows:

This Agreement shall be in effect and enforceable between the parties from the date of its execution and shall remain in effect until March 8, 2024.

- B. The Parties agree to replace **Exhibit D (Compensation Schedule/Cost Form) See Attachment I**
- C. The Parties agree to replace **Article XXVIII. SECTION 3 CLAUSE**, as follows:

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A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

B. B. The parties to this contract agree to comply with HUD's regulations in 24 C.F.R. part 75, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 75 regulations.

C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

D. The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24

C.F.R. part 75 and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 C.F.R. part 75. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 C.F.R. part 75.

E. The contractor acknowledges that subrecipients, contractors, and subcontractors are required to meet the employment, training, and contraction requirements of 24 CFR 75.19, regardless of whether Section 3 language is included in recipient or subrecipient agreements, program regulatory agreements, or contracts.

F. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 C.F.R. part 75 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 C.F.R. part 75.

G. Noncompliance with HUD's regulations in 24 C.F.R. part 75 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

H. With respect to work performed in connection with Section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (46 U.S.C. § 5307) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and sub contracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 and section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

I. The Contractor agrees to submit, and shall require its subcontractors to submit to them, quarterly reports to the PRDOH detailing the total number of labor hours worked on the Section 3 Project, the total number of labor hours worked by Section 3 Workers, and the total number of hours worked by Targeted Section 3 Workers, and any affirmative efforts made during the quarter to direct hiring efforts to low- and very low-income persons, particularly persons who are Section 3 Workers and Targeted Section 3 Workers.

D. The Parties agree to add the following Section:

MEMORANDUM NO. 2021-029; CIRCULAR LETTER NO. 013-2021 OF THE OFFICE OF THE CHIEF OF STAFF OF THE GOVERNOR (SECRETARÍA DE LA GOBERNACIÓN) & THE OFFICE OF MANAGEMENT AND BUDGET (OFICINA DE GERENCIA Y PRESUPUESTO):

A. The PRDOH certifies that the CONTRACTOR was selected as the provider of the services described in this agreement, pursuant to OE 2021-029.

B. The Parties certify that they acknowledge the provisions stated in OE 2021-029 and CC 013-2021. Any failure

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to comply with the requirements set forth in OE 2021-029 and CC 013-2021 will result in the termination of this agreement.

C. The CONTRACTOR certifies that it has informed PRDOH of any current contractual relationship with any government entities of the Government of Puerto Rico. The CONTRACTOR certifies that said entities are all the entities of the Government of Puerto Rico with which they maintain a contractual relationship. In addition, the CONTRACTOR recognizes and accepts that omitting any information regarding any current contractual relationship with any governmental entity could result in the termination of this agreement if so required by PRDOH.

D. The CONTRACTOR certifies that it has informed the PRDOH whether or not the entity is a public corporation whose shares are exchanged in a stock exchange properly regulated. In the event that the CONTRACTOR certifies that it is not a public corporation that exchanges shares in a stock change, the CONTRACTOR certifies it has completed the applicable certification as stated in CC-013-2021.

- E.** All other terms and conditions of the Agreement remain unchanged.
- F.** Each party represents that the person executing this Amendment A has the necessary legal authority to do so on behalf of the respective party.

III. HEADINGS

The titles to the paragraphs of this Amendment are solely for reference purposes and the convenience of the parties and shall not be used to explain, modify, simplify, or aid in the interpretation of the provisions of this Amendment.

IV. COMPLIANCE WITH LAW

It is the intention and understanding of the Parties hereto that each and every provision of law required to be inserted in the Agreement, as amended, should be and is inserted herein. Furthermore, it is hereby stipulated that every such provision is deemed to be inserted and if, through mistake or otherwise, any such provision is not inserted herein or is not inserted in correct form, then the Agreement, as amended, shall forthwith, upon the application of any Party, be amended by such insertion so as to comply strictly with the law and without prejudice to the rights of any Party.

V. SUBROGATION

The Contractor acknowledges that funds provided through the Agreement, as amended, are Federal funds administered by HUD under the CDBG-DR Program and that all funds provided by the Agreement, as amended, are subject to audit, disallowance, and repayment. Any disagreement with adverse findings may be challenged and subject to Federal regulation, however, the Contractor shall promptly return any and all funds to the PRDOH, which are found to be ineligible, unallowable, unreasonable, a duplication of benefits, or non-compensable, no matter the cause. This clause shall survive indefinitely the termination of the Agreement, as amended.

VI. COMPTROLLER REGISTRY

The PRDOH shall remit a copy of this Amendment to the Office of the Comptroller for registration within **fifteen (15)** days following the date of execution of this Amendment

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and any subsequent amendment hereto. The services object of this Amendment may not be invoiced or paid until this Amendment has been registered by the PRDOH at the Comptroller's Office, pursuant to Act No. 18 of October 30, 1975, as amended by Act No. 127 of May 31, 2004.

VII. ENTIRE AGREEMENT

The Agreement and its Amendments constitute the entire agreement among the Parties for the use of funds received under the Agreement and its Amendments and it supersedes all prior or contemporaneous communications and proposals, whether electronic, oral, or written among the Parties with respect to the agreement.

VIII. SEVERABILITY

If any provision of this Amendment shall operate or would prospectively operate to invalidate the Amendment in whole or in part, then such provision only shall be deemed severed and the remainder of the Amendment shall remain operative and in full effect.

IX. COUNTERPARTS

This Amendment may be executed in any number of counterparts, each of whom shall be deemed to be an original, however, all of which together shall constitute one and the same instrument. If the Amendment is not executed by the PRDOH within **thirty (30) calendar days** of execution by the other party, this Amendment shall be null and void.

IN WITNESS THEREOF, the parties hereto execute this Amendment in the place and on the date first above written.

**PUERTO RICO DEPARTMENT OF
HOUSING**

GM SECTEC, CORP.

William O. Rodríguez Rodríguez
William O. Rodríguez Rodríguez (Feb 25, 2022 16:37 AST)
William O. Rodríguez Rodríguez, Esq.
Secretary

Walter J. Cervoni
Walter J. Cervoni (Feb 23, 2022 14:56 AST)
Walter J. Cervoni Ruiz
Executive Vice President & CTIO
DUNS No. 780454281



GOVERNMENT OF PUERTO RICO
Department of Housing

ATTACHMENT I

Exhibit D
COMPENSATION
SCHEDULE

Request for Proposals
Information Technology Consulting Services
Community Development Block Grant – Disaster Recovery
CDBG-DR-RFP-2019-04

Name of Proposer: GM Security Technologies

KEY STAFF POSITIONS	Qty. of Resources [A]	Max. Hours per Months [B]	Rate Per Hour [C]	Max. Monthly Cost [D = (A x B) x C]
Project Manager	1	80	\$100.00	\$8,000
Senior Network Consultant	1	60	\$100.00	\$6,000
Associate Network Consultant	1	80	\$80.00	\$6,400
Senior IT Consultant	1	40	\$100.00	\$4,000
Associate IT Consultant	1	60	\$80.00	\$4,800
Senior Security Consultant	1	40	\$100.00	\$4,000
Subtotal				\$33,200
SUPPORT STAFF POSITIONS	Qty. of Resources [A]	Max. Hours per Months [B]	Rate Per Hour [C]	Max. Monthly Cost [D = (A x B) x C]
IT Integration Specialist	1	40	\$80.00	\$3,200
Technical Writer	1	20	\$80.00	\$1,600
Training Specialist	1	20	\$80.00	\$1,600
Database/Reporting Specialist	1	40	\$100.00	\$4,000
Subtotal				\$10,400
Total Cost per Month				\$43,600
Total Cost of Services				\$523,200
Allowance for Additional Services				\$96,000
TOTAL				\$619,200

Notes on Proposal Cost

- (1) The Total Proposal Cost represents the potential total cost for the services.
- (2) Services will be provided on an on-call basis by the contractor.
- (3) The contract is expected to function as a not-to-exceed contract from which services will be invoiced based on actual hours worked by each resource.
- (4) Hourly Rates include overhead, profit, royalties, reimbursements, taxes, fringe benefits, travel, as well as any other additional fees and administrative costs applicable to the services. The overhead includes all cost related to accomplish the required service each position will be responsible for.
- (5) Estimated costs for each position should not be interpreted as a cap of costs or hours that may be invoiced for a specific position. Invoicing shall be based on the actual needs of resources for the services requested by the PRDOH.
- (6) The number of hours for each of the positions does not represent the effort required for the services. The purpose of estimate hours and positions serves as basis for Proposer to be able to calculate the total cost of the Proposal.
- (7) The Proposer is not required to use all Support Staff Positions, as long as its capable of providing the services and fully complies with the task requested.
- (8) Redistribution of hours allocated to each staff position can be made with prior written request from vendor and authorized by the PRDOH IT Manager and the Director of Operations.

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ALTERNATE STAFF POSITIONS	Qty. of Resources [A]	Max. Hours per Months [B]	Rate Per Hour [C]	Max. Monthly Cost [D = (A x B) x C]
Senior Network Consultant	1	60	\$100.00	\$6,000
Senior IT Consultant	1	20	\$100.00	\$2,000
Senior Security Consultant	1	20	\$100.00	\$2,000
Database/Reporting Specialist	1	60	\$100.00	\$6,000
Subtotal				\$16,000

Notes on Alternate Support Staff Schedule

- (1) Proposer may submit to the PRDOH an Alternate Support Staff Schedule to substitute one or more resources of the Support Staff Positions.
- (2) The Alternate Staff Position must meet the minimum requirements of the Support Staff Position and include the alternate position name and the rate per hour for said position. The Proposer may include a combination of the original Support Staff Positions and Alternate Staff Positions.
- (3) Alternate Support Staff Services, if approved, will be provided on an as needed basis by the Contractor..
- (4) The contract is expected to function as a not-to-exceed contract from which services will be invoiced based on actual hours worked by each resource.
- (5) Hourly Rates for Alternate Support Staff include overhead, profit, royalties, reimbursements, taxes, fringe benefits, travel, as well as any other additional fees and administrative costs applicable to the services. The overhead includes all cost related to accomplish the required service each position will be responsible for.
- (6) Estimated costs for each position should not be interpreted as a cap of costs or hours that may be invoiced for a specific position. Invoicing shall be based on the actual needs of resources for the services requested by the PRDOH.
- (7) The number of hours for each of the positions does not represent the effort required for the services. The purpose of estimate hours and positions serves as basis for Proposer to be able to calculate the total cost of the Proposal.
- (8) PRDOH is under no obligation to approve the Alternate Support Staff as recommended by Proposer.
- (9) The Proposer shall include a description of the role and responsibilities of each alternate Staff Position, their planned level of effort, their anticipated duration of involvement.
- (10) The PRDOH does not foresee the personnel to be available on-site. However, the Proposer shall consider to cover on-site availability.
- (11) Redistribution of hours allocated to each Support Staff Position can be made with prior written request from vendor and authorized by the PRDOH IT Manager and the Director of Operations.

Proposer's Signature

Date

Walter J. Cervoni

Walter J. Cervoni (Feb 23, 2022 14:56 AST)

Proposer's Printed Name

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AMENDMENT A GM SECTEC, CORP

Final Audit Report

2022-02-25

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