

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

**AMENDMENT D to AGREEMENT FOR
JANITORIAL SERVICES
BETWEEN THE
PUERTO RICO DEPARTMENT OF HOUSING
AND
ACTION SERVICE CORPORATION**

As amended by Contract No. 2020-DR-0007C



THIS AMENDMENT D to AGREEMENT FOR JANITORIAL SERVICES, (hereinafter referred to as the "Agreement") is entered into in San Juan, Puerto Rico, this 6 of April, 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, 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 **ACTION SERVICE CORPORATION** (hereinafter, the "CONTRACTOR"), with principal offices in Barrio Monacillo, Street 8838 KM 1.7., Building 1700 San Juan, Puerto Rico, 00936 herein represented by Nilzaydée Avilés, in her capacity as Administrative Vice President, of legal age, single, and resident of San Juan Puerto Rico duly authorized by Resolution by the CONTRACTOR.

I. RECITALS AND GENERAL AWARD INFORMATION

WHEREAS, on July 17, 2019 the PRDOH and the Contractor entered into an Agreement, which was registered under Contract No. 2020-DR-0007, for the performance of Janitorial Services for a maximum amount no to exceed of **FIFTY-FIVE THOUSAND SIX HUNDRED EIGHTY-FOUR DOLLARS WITH EIGHTY CENTS (\$55,684.80)** ending on July 16, 2020.

WHEREAS, on November 21, 2019, the Agreement was amended through Amendment A, registered as Contract No. 2020-DR0007A, to conform the Agreement to federal, state and local regulations and statutes. Neither the amount, account nor the term of the Agreement were modified in the Amendment A.

WHEREAS, on July 9, 2020 the Agreement was amended through Amendment B, registered as Contract No. 2020-DR0007B, to extend the term of the Agreement to July 16, 2021.

WHEREAS, on July 14, 2021 the Agreement was amended through Amendment C, registered as Contract No. 2020-DR0007C, to extend the term of the Agreement and to increase the total amount of the Agreement by an additional **NINETY-THREE THOUSAND NINE HUNDRED TEN AND ZERO CENTS (\$93,910.00)**, for an adjusted total amount of **ONE HUNDRED FORTY-NINE THOUSAND FIVE HUNDRED NINETY-FOUR AND EIGHTY CENTS (\$149,594.80)**.

WHEREAS, as the minimum wage in Puerto Rico was increased by the "Puerto Rico's Minimum Wage Law", Act 47 of September 21, 2021, and after a cost reasonableness analysis from the PRDOH Procurement Division, the Parties wish to amend the Agreement to increase the contracted hourly rate of the Supervisor and the Janitors for an additional **ONE DOLLAR AND SIXTY-SIX CENTS (\$1.66)** respectively. The new total hourly rate of the Supervisor will be **FIFTEEN DOLLARS WITH THIRTY-SIX CENTS (\$15.36)** and the new total

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hourly rate of the Janitor will be **FOURTEEN DOLLARS WITH TWENTY-SIX CENTS (\$14.26)**. No additional funding is requested for this amendment.

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

WHEREAS, this Amendment D 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 D.

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

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II. **AMENDMENT**

A. The Parties agree to amend **Attachment A (Cost Form)** as follows:

An increase of **ONE DOLLAR AND SIXTY-SIX CENTS (\$1.66)** to the contracted hourly rate of the Supervisor and the Janitors will be made, being the total hourly rate of the Supervisor of **FIFTEEN DOLLARS WITH THIRTY-SIX CENTS (\$15.36)** and the total hourly rate of the Janitor of **FOURTEEN DOLLARS WITH TWENTY-SIX CENTS (\$14.26)**. No additional funding is requested for this amendment. **(See Attachment 1)**

Positions	Qty Resources	Hourly Rate	Estimated Hours	Total Cost
Supervisor	1	\$15.36	2.500	\$38,400.00
Janitor	1	\$14.26	1.500	\$21,390.00
Janitor	1	\$14.26	1.500	\$21,390.00
Janitor	1	\$14.26	1.500	\$21,390.00
Subtotal (12 months)				\$102,570.00
Subtotal April 1 st - July 16, 2022				\$29,916.25

B. The Parties agree to replace **Article XX. SECTION 3 CLAUSE**, as follows:

- 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. 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

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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. All other terms and conditions of the Agreement remain unchanged.
- E. 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 D 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 D 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.

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VII. ENTIRE AGREEMENT

The Agreement and this Amendment constitute the entire agreement among the Parties for the use of funds received under the Agreement and this Amended Agreement 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.

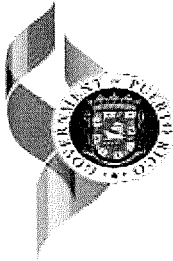
IN WITNESS THEREOF, the parties hereto execute this Amendment in the place and on the date first above written.

PUERTO RICO DEPARTMENT OF
HOUSING

ACTION SERVICE CORPORATION

William O. Rodríguez Rodríguez
William O. Rodríguez Rodríguez (Apr 6, 2022 13:27 EDT)
William O. Rodríguez Rodríguez, Esq.
Secretary

Nilzaydée Avilés
Nilzaydée Avilés (Apr 1, 2022 14:51 EDT)
Nilzaydée Avilés
Administrative Vice President



GOVERNMENT OF PUERTO RICO
DEPARTMENT OF HOUSING

ATTACHMENT I

COST FORM
SMALL PURCHASE
JANITORIAL SERVICES
Community Development Block Grant- DR

Name of Supplier: ACTION SERVICE CORPORATION

Positions	Qty Resources	Hourly Rate	Estimated Hours	Total Cost
Supervisor	1	\$15.36	2,500	\$38,400.00
Janitor	1	\$14.26	1,500	\$21,390.00
Janitor	1	\$14.26	1,500	\$21,390.00
Janitor	1	\$14.26	1,500	\$21,390.00
Subtotal (12 months)				\$102,570.00
Subtotal April 1 st - July 16, 2022				\$29,916.25

Other Services	Rate	Unit	Total Cost
Carpet Maintenance (2 nd floor)	\$N/A	18,210.61 sq. ft.	\$600.00
Carpet Maintenance (3 rd floor)	\$N/A	17,628.28 sq. ft.	\$580.00
Initial Cleaning (2 nd floor)	\$N/A	18,210.61 sq. ft.	\$900.00
Initial Cleaning (3 rd floor)	\$N/A	17,628.28 sq. ft.	\$880.00
Subtotal			\$2,960.00

Total Quote \$ 32,876.25

Notes:

- 1) Hourly Rates and Other Services rates include overhead, profit, royalties, reimbursements, taxes, fringe benefits, travel, as well as any other additional fees and administrative cost applicable to the services. The overhead includes all cost related to accomplish the required service each position will be responsible for.
- 2) 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.

AMENDMENT D ACTION SERVICES

Final Audit Report

2022-04-06

Created:	2022-04-01
By:	Radames Comas Segarra (rcomas@vivienda.pr.gov)
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