



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

**AMENDMENT C TO AGREEMENT FOR
ENVIRONMENTAL CONSULTING SERVICES
BETWEEN THE
PUERTO RICO DEPARTMENT OF HOUSING
AND
ARCADIS CARIBE, PSC**

Contract No. 2020-DR0001

As amended by Contract No. 2020-DR0001A

As amended by Contract No. 2020-DR0001B



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THIS AMENDMENT C TO AGREEMENT FOR ENVIRONMENTAL CONSULTING SERVICES, (hereinafter referred to as the "**Amendment**") is entered into in San Juan, Puerto Rico, this 5 day of May, 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 **ARCADIS CARIBE, PSC** (hereinafter, the "**CONTRACTOR**"), with principal offices in 48 City View PLZ, Tower I STE 401, Guaynabo, Puerto Rico 00968, herein represented by Efraín Calderón, in his capacity as Vice President, of legal age, married, and resident of Caguas, Puerto Rico duly authorized by Resolution by the CONTRACTOR (collectively, **the Parties**).

I. RECITALS AND GENERAL AWARD INFORMATION

WHEREAS, on July 8, 2019, the PRDOH and the Contractor entered into an Agreement, which was registered under Contract No. 2020-DR0001, for the performance of environmental consulting services in connection with the CDBG-DR Program (the "Agreement").

WHEREAS, the PRDOH and the Contractor, agreed that, for allowable Environmental Consulting Services performed during the term of the Agreement, PRDOH would pay a maximum amount not to exceed **SEVEN MILLION FIVE HUNDRED AND FORTY FIVE THOUSAND DOLLARS (\$7,545,000.00)**; to the Contractor from **ACCOUNT NUMBER R01H07RRR-DOH-LM 4190-10-000**, ending on July 8, 2022.

WHEREAS, the Agreement was amended on August 6, 2019, through Amendment A, registered as Contract No. 2020-DR0001A. Neither the amount nor the term of the Agreement was modified in Amendment A.

WHEREAS, the Agreement was amended on August 20, 2021, through Amendment B, registered as Contract No. 2020-DR0001B. In summary, the Amendment B served the purpose of replacing Attachment D (Compensation Schedule) and Attachment F (HUD General Provisions), include new Attachment G (Contractor Certification Requirement) and increase the total amount of the Agreement to **ELEVEN MILLION SIX HUNDRED SEVENTY-FIVE THOUSAND DOLLARS (\$11,675,000.00)**.

WHEREAS, with this Amendment C the Parties wish to amend the Agreement to replace Attachment D (Compensation Schedule) and extend the term until July 8, 2024.

WHEREAS, this Amendment C 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 the 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 C.

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. SCOPE OF THE AMENDMENT

Amendment Seven (7) of the CDBG-DR Action Plan, approved November 5, 2021, incorporated elevated construction as an allowable construction activity for homes located in the floodplain. This new construction option requires a modification to the R3 environmental workflow, and consequently, a change to the invoicing process of Tier 2 Environmental Review Records (ERRs). The deliverable of a completed Tier 2 ERR requires the Environmental Consultant (EC) to perform several tasks. With the current R3 environmental workflow and under the existing payment structure, the Tier 2 ERRs are invoiced as a single unit once completed. Due to the redesigned environmental workflow, The ECs delivery for Tier 2 Environmental Review Records will be divided into two (2) sub-tasks: (i) the environmental site visit and preliminary desktop review of the Storm-Damaged Property, which will help determine if the property qualifies for reasonable elevation; and (ii) the Tier 2 Environmental Review Records as a final deliverable for the application. Given the division of these tasks, the compensation of the Tier 2 ERR will be divided into two (2) payments, correspondingly. First, the preliminary environmental site visit paired with the desktop review, and second, the finalized approved Tier 2 Environmental Review. Because of the new environmental workflow, the it is necessary to amend the Attachment D (Cost Form).

Also, the Environmental Consultants contracts were executed for a performance period of thirty-six (36) months, with an optional contract extension for an additional performance period of twenty-four (24) months. This Agreement will expire in the upcoming months. To continue providing specialized services in the environmental field, it is necessary to extend the contract for an additional twenty-four (24) months.

III. AMENDMENT:

A. The Parties agree to amend **Article I. TYPE OF CONTRACT** to replace Attachment D (Cost Form) with an amended Attachment D (Cost Form). (See **Attachment I** of this Amendment C).

B. The Parties agree to amend **Article II. TERM OF AGREEMENT, paragraph A**, with the following:

A. This Agreement shall be in effect and enforceable between the parties from the date of its execution. The term of the original Agreement was for a performance period of thirty-six (36) months, ending on July 8, 2022. The Parties hereby agree to extend the period of performance for an additional period of performance of twenty-four (24) months, ending on July 8, 2024.

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- C. The Parties agree to add a new **Article III. COMPLIANCE WITH THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO (FOMB) POLICY: REVIEW OF CONTRACTS, AS MODIFIED ON APRIL 30, 2021, REGARDING PROFESSIONAL SERVICES:**

LII. COMPLIANCE WITH THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO (FOMB) POLICY: REVIEW OF CONTRACTS, AS MODIFIED ON APRIL 30, 2021, REGARDING PROFESSIONAL SERVICES:

The FOMB Policy requires that all agreements that contemplate recurring professional services that may be performed by appropriately trained government staff include a provision of compliance with the adequate transfer of skills and technical knowledge to the pertinent public sector personnel. This requirement shall not apply to contracts which contemplate non-recurring professional services or specialized professional services that may not be performed by existing staff at the applicable governmental entity, including as a result of independence requirements.

Accordingly, given that the agreements under CDBG-DR are non-recurring professional services or specialized professional services, the PRDOH certifies that the transfer of skills and technical knowledge required by the Certified Fiscal Plan is inapplicable given the non-recurring or specialized nature of the contracted services.

As mentioned before, HUD allocated funds for disaster recovery assistance to the Government of Puerto Rico under the CDBG-DR Program. These funds are intended to provide financial assistance to address unmet needs that arise and that are not covered by other sources of financial aid. In addition, with these allocations of funding under the Grant Agreement, the PRDOH will conduct a comprehensive recovery to benefit the residents of Puerto Rico.

- D. The Parties agree to add a new **Article LIIL. COMPLIANCE WITH THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO (FOMB) POLICY: REVIEW OF CONTRACTS**, as follows:

LIIL. COMPLIANCE WITH THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO (FOMB) POLICY, REVIEW OF CONTRACTS:

As part of the PRDOH contract process, and pursuant to Section 204(b)(2) of the "Puerto Rico Oversight, Management, and Economic Stability Act," 48 U.S.C. §2101, et seq., also known as "PROMESA", the Financial Oversight and Management Board for Puerto Rico (FOMB) require approval of certain contracts and amendments to assure that they "promote market competition" and "are not inconsistent with the approved fiscal plan." For the approval process, the FOMB requests, among other information, the Contractor Certification Requirement for its evaluation.

In compliance with the above, the CONTRACTOR represents and warrants that the information included in the Contractor Certification Requirement is complete, accurate and correct, and that any misrepresentation, inaccuracy of falseness in such

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Certification will render the contract null and void and CONTRACTOR will have the obligation to reimburse immediately to the Commonwealth any amounts, payments or benefits received from the Commonwealth under the proposed Amendment and original Agreement.

- E. As of April 4, 2022, the Federal Government stopped the use of the DUNS Number as the primary means of identity identification for Federal awards government-wide and replaced it with the Unique Entity Identifier (UEI). Accordingly, the Parties agree to replace the DUNS Numbers with the following Unique Entity Identifier:

PUERTO RICO DEPARTMENT OF HOUSING
Unique Entity ID: **FFNMUBT6WCM1**

ARCADIS CARIBE, PSC
Unique Entity ID: **JS6YEF9UJKQ3**

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

- G. Each party represents that the person executing this Amendment C has the necessary legal authority to do so on behalf of the respective party.

IV. 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.

V. 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.

VI. 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.

VII. 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 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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VIII. 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.

IX. 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.

X. 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) 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

ARCADIS CARIBE, PSC

William O. Rodríguez Rodríguez
William O. Rodríguez Rodríguez (May 5, 2022 16:03 EDT)
William O. Rodríguez Rodríguez, Esq.,
Secretary

Efraín Calderón
Efraín Calderón
Vice-President

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Revised Attachment D – Compensation Schedule
Environmental Consulting Services
Arcadis Caribe, PSC.

Per Unit Tasks

Task	Quantity	Unit Price	Total Cost
Tier 2 Environmental Review Site Visit ⁽¹⁾	5,000	\$250.00	\$3,125,000.00
Site-Specific Tier 2 Environmental Review ⁽¹⁾		\$375.00	
Asbestos Inspection and Testing	5,000	\$595.00	\$2,975,000.00
Lead-Based Paint Inspection and Testing	5,000	\$595.00	\$2,975,000.00
Sub-Total			\$9,075,000.00
Allowance for Specialized Services			\$2,500,000.00
Allowance for Dissemination			\$100,000.00
Total			\$11,675,000.00

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Professional Staff Rates for Specialized Services on
Stand-By

Staff Position	Hourly Rate
Project Manager	\$92.00
Senior Environmental Engineer	\$115.00
Associate Environmental Engineer	\$85.00
Senior Environmental Scientist	\$105.00
Associate Environmental Scientist	\$85.00
Environmental Technician	\$55.00
Lead/Asbestos Inspector	\$85.00
SHPO Professional	\$100.00
Archaeologist	\$95.00
Archaeologist (inclusive of all monitoring related activities, including reporting).	\$95.00
Wetland Specialist	\$95.00
Biological Expert	\$95.00
Floodplain Specialist	\$95.00
GIS Specialist	\$85.00

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Notes:

(1) Environmental Consultant's compensation of R3 Application's Tier 2 Environmental Review will be divided into two (2) payments. The first payment may be issued upon completion of the environmental site visit and desktop review of the Storm-Damaged Property to determine: flood zone designation (FIRM, PFIRM, and ABFE), if the property is in a floodplain or not, if the property is classified as a historic property or is located in a historical district, and the year built of the property; among other relevant environmental considerations for the Program to responsibly evaluate, develop, and present a feasible scope of work for the Application. The second payment will be issued upon completion and approval by PRDOH's Certifying Officers of the Tier 2 Environmental Review for the Application. The process of the Tier 2 Environmental Review for the Application will be started by the Environmental Consultant upon Applicant acceptance of a preliminary Scope of Work presented by the Program.









Amendment C- Environmental Services Arcadis

Final Audit Report

2022-05-05

Created:	2022-05-05
By:	Radames Comas Segarra (rcomas@vivienda.pr.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAA2VTpcUss8mYOTJWW3XdjIEIOxjGTX6SB

"Amendment C- Environmental Services Arcadis" History

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2022-05-05 - 6:10:32 PM GMT- IP address: 67.224.128.25
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2022-05-05 - 6:20:44 PM GMT- IP address: 40.94.28.254
-  Document e-signed by William O. Rodríguez Rodríguez (w.rodriguez@vivienda.pr.gov)
Signature Date: 2022-05-05 - 8:03:14 PM GMT - Time Source: server- IP address: 196.28.53.20
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2022-05-05 - 8:03:14 PM GMT