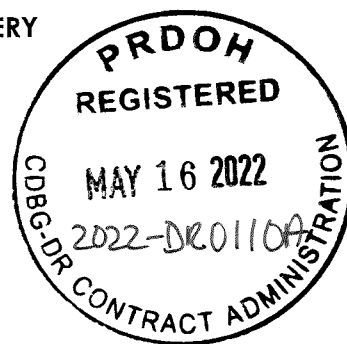




AMENDMENT A

COMMUNITY DEVELOPMENT BLOCK GRANT – DISASTER RECOVERY WORKFORCE TRAINING PROGRAM

AMENDMENT A TO THE SUBRECIPIENT AGREEMENT BETWEEN THE PUERTO RICO DEPARTMENT OF HOUSING AND THE MUNICIPALITY OF ARECIBO



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This **AMENDMENT A TO THE SUBRECIPIENT AGREEMENT** (hereinafter, the "**AMENDMENT A**") is entered into this 13 day of May, 2022, by and between the **PUERTO RICO DEPARTMENT OF HOUSING** (hereinafter, the "**PRDOH**"), a public agency of the Government of Puerto Rico created under Act No. 97, dated June 10, 1972, as amended, 3 L.P.R.A. § 441 *et seq.*, known as the "Department of Housing Organic Act" (hereinafter, the "Organic Act"), with principal offices at 606 Barbosa Ave., San Juan, Puerto Rico, represented herein by its Secretary, Hon. William O. Rodríguez Rodríguez, of legal age, attorney, single, and resident of San Juan, Puerto Rico; and the **MUNICIPALITY OF ARECIBO** (hereinafter, the "SUBRECIPIENT"), a legal entity of local government with principal offices at Arecibo, Puerto Rico, represented by its Mayor, Hon. Carlos R. Ramírez Irizarry, of legal age, mayor, single, and resident of Arecibo, Puerto Rico; collectively the "Parties".

I. RECITALS AND GENERAL AWARD INFORMATION

WHEREAS, on August 13, 2021, the Parties entered into a Subrecipient Agreement under the **WORKFORCE TRAINING PROGRAM** (hereinafter, the "**PROGRAM**"), Contract No. 2022-DR0110, for **one million nine hundred twenty-one thousand seven hundred seventy dollars and zero cents (\$1,921,770.00)**, with a four (4) years period of performance ending in August 13, 2025 (hereinafter, the "**AGREEMENT**").

WHEREAS, as per Section IX (A) of the AGREEMENT, the AGREEMENT may be amended in writing and signed by a duly authorized representative of each party. Nonetheless, the amendment shall not invalidate the AGREEMENT, nor release the Parties from their obligations under the AGREEMENT.

WHEREAS, the Parties acknowledge and agree that this AMENDMENT A is not intended to affect nor does it constitute an extinctive novation of the obligations of the Parties under the AGREEMENT.

WHEREAS, the PRDOH has the legal power and authority, in accordance with its enabling statute, the Organic Act, the federal laws and regulations creating and allocating funds to the CDBG-DR program and the current Action Plan, to issue and award the subaward, enter and perform under this AMENDMENT A.

WHEREAS, the SUBRECIPIENT has the legal power and authority in accordance with its enabling statute, Act No. 107 of August 14, 2020, as amended, 21 L.P.R.A. § 7001 *et seq.*, known as the "Puerto Rico Municipal Code", to enter into this AMENDMENT A.

NOW THEREFORE, in consideration of the mutual promises and the terms and conditions set forth herein, the PRDOH and the SUBRECIPIENT agree to execute this AMENDMENT A subject to the following:

TERMS AND CONDITIONS

II. SCOPE OF AMENDMENT

The Parties acknowledge and agree that this AMENDMENT A principally entails a redistribution of the Budget allocated to the SUBRECIPIENT to undertake its activities under the PROGRAM and a modification of the Staffing Plan. The Parties agree to amend **Exhibit C** (Key Personnel) to eliminate some positions from the Staffing Plan. The Parties also agree to amend **Exhibit D** (Budget) to eliminate some positions and increase the hourly rate for the Executive Director and Chief Operating Officer positions. The Parties also agree to include "Professional Services" and "Other Operating" changes. Other sections in the budget will be redistributed to maintain the total amount awarded. The difference has been redistributed within the previously approved line items without exceeding the awarded amount by implementing those changes. A modified version of **Exhibit G** (Subrogation and Assignment Provisions) is also incorporated by reference to the AGREEMENT via this AMENDMENT A.

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III. AMENDMENTS

- A. **Exhibit C** (Key Personnel) of the AGREEMENT is being replaced by a modified **Exhibit C** (Key Personnel) hereto incorporated by reference into the AGREEMENT and made part of the AGREEMENT. The modified version of **Exhibit C** (Key Personnel) eliminates the following positions: Administrative Assistance 2, Maintenance Employee, Security Guard and Social Work. (See **Attachment I** of this AMENDMENT A).
- B. **Exhibit D** (Budget) of the AGREEMENT is being replaced by a modified **Exhibit D** (Budget) hereto incorporated by reference into the AGREEMENT and made part of the AGREEMENT. The modified version of **Exhibit D** (Budget) includes the following changes: (1) eliminates some positions from the "Staffing" section and increase the hourly rate for the Executive Director and Chief Operating Officer positions; (2) amends the "Professional Services" and "Other Operating" sections by eliminating some items and redistributing the funds; and (3) other sections in the budget will be redistributed to maintain the total amount awarded. The difference has been redistributed within the previously approved line items without exceeding the awarded amount by implementing those changes. (See **Attachment II** of this AMENDMENT A).
- C. **Exhibit H** (Subrogation and Assignment Provisions) of the AGREEMENT is being replaced by a modified **Exhibit H** (Subrogation and Assignment Provisions) hereto incorporated by reference into the Agreement and made part of the Agreement. The modified version of **Exhibit H** contains the updated legal citations of the statutes cited throughout **Exhibit H**. (See **Attachment III** of this AMENDMENT A).
- D. Starting on April 4, 2022, the Federal Government permanently discontinued 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 SUBRECIPIENT's DUNS Numbers with the following Unique Entity Identifier:

Municipality of Arecibo
Unique Entity ID: KDZ6TG5JZ6G6

- E. The Parties agree to include PRDOH's Unique Entity Identifier as part of the Agreement, as amended:

PRDOH
Unique Entity ID: FFMUBT6WCM1

V. SEVERABILITY

If any provision of this AMENDMENT A is held invalid, the remainder of the AMENDMENT A shall not be affected thereby, and all other parts of this AMENDMENT A shall nevertheless be in full force and effect.

VI. SECTION HEADINGS AND SUBHEADINGS

The section headings and subheadings contained in this AMENDMENT A are included for convenience only and shall not limit or otherwise affect the terms of the AGREEMENT, and shall not be used to explain, modify, simplify, or aid in the interpretation of the provisions of this AMENDMENT A.

VII. COMPTROLLER REGISTRY

The PRDOH shall remit a copy of this AMENDMENT A to the Office of the Comptroller for registration within **fifteen (15) days** following the date of execution of this AMENDMENT A and any subsequent amendment hereto. The services object of this AMENDMENT A may not be invoiced or paid until this AMENDMENT A 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.

VIII. ENTIRE AGREEMENT

The AGREEMENT, as amended, constitutes the entire agreement among the Parties for the use of funds received under the AGREEMENT, as amended, and it supersedes all prior or contemporaneous communications and proposals, whether electronic, oral, or written among the Parties with respect to the AGREEMENT, as amended.

IX. FEDERAL FUNDING

The fulfillment of the AGREEMENT, as amended, is based on those funds being made available to the PRDOH as the lead administrative agency for Recovery. All expenditures under the AGREEMENT, as amended, must be made in accordance with the AGREEMENT, as amended, the policies and procedures promulgated under the CDBG-DR Program, and any other applicable laws. Further, the SUBRECIPIENT acknowledges that all funds are subject to recapture and repayment for non-compliance.

IN WITNESS THEREOF, the Parties hereto execute this AMENDMENT A in the place and on the date first above written.

**PUERTO RICO DEPARTMENT OF HOUSING
CDBG-DR Grantee**

William O. Rodríguez Rodríguez
By: William O. Rodríguez Rodríguez (May 13, 2022 15:42 EDT)
Name: Hon. William O. Rodríguez Rodríguez, Esq.
Title: Secretary

MUNICIPALITY OF ARECIBO

Carlos R. Ramírez Irizarry
By: Carlos R. Ramírez Irizarry (May 11, 2022 10:34 EDT)
Name: Hon. Carlos R. Ramírez Irizarry
Title: Mayor

EXHIBIT C

KEY PERSONNEL

WORKFORCE TRAINING PROGRAM

MUNICIPALITY OF ARECIBO

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Below is the Staffing Plan for the CDBG-DR **Workforce Training** Program which reflects a combination of existing employees or new hired employees dedicated for the CDBG-DR **Workforce Training** Program.

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I. Roles

Roles	FE Count
Executive Director	1
Chief Operating Officer	1
Finance Director	1
Administrative Assistant 1	1

II. Roles Description:

Role	Description
Executive Director	The main objective is to ensure the smooth running of the institute in accordance with the established vision and policies. Direct, supervise, oversee, and control each one of the operations within the Institute. Interview administrative staff and teachers of the courses.
Chief Operating Officer	Provide academic information to participants and learn about the institution's processes and day-to-day operations.
Finance Director	This resource is responsible of monitoring the funds and status of organization's income and expenses.
Administrative Assistant 1	Work directly with the executive director to ensure that processes and services run smoothly. Organize and maintain student files. Assist with the enrollment process for courses to be offered at the institute.

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EXHIBIT D – SECTION 1

BUDGET

WORKFORCE TRAINING PROGRAM

MUNICIPALITY OF ARECIBO

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DESCRIPTION SERVICES

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The **Municipio de Arecibo Project**, administered by the **Municipality of Arecibo** aims to provide a number of courses such as the following: Masonry, Carpentry, Facility Maintenance, Welding, Kitchen Helper, Waiter and Advanced Sewing. It is intended to serve an estimated (yearly) five hundred twenty-five (525) low- or moderate-income/unemployed individuals residents of Arecibo. This project seeks to develop new vocational skills and techniques to improve the quality of life of its participants, through the successful insertion into the workforce. The mission of the Municipality of Arecibo is to provide the population of Arecibo new opportunities for vocational and specialized education in personal, commercial, business, and entrepreneurial development.

The purpose of the municipality is to provide its participants the opportunity to develop entrepreneurial and self-management skills through the implementation of various short courses.

The intention of the Municipality of Arecibo is to assist in the empowerment and establishment of new businesses to the citizens of Arecibo, through courses and workshops to meet the needs to stimulate the economy of the town. The courses will be free of charge for low and moderate income people.

Each course will be equivalent to approximately **seventy (70) hours**, starting in April 2022 and ending in April 2025.

Thirteen (13) courses per year will be offered, starting the first year with a minimum of one hundred (100) participants in each course, equivalent to approximately one thousand two hundred fifty-nine (1,259) participants.

Workshops will be in carpentry sewing, waitress, interior decoration, cooking, baking, mosaic making, waiter, fascia making, welding, home garden, solar panel installation, electrician, and plumbing. Participants will receive a certificate of completion at the end of the course.

The courses consist of theoretical and practical workshops. The courses will be evaluated through attendance, participation, and evaluations of the administrative staff. Course promotions will be carried out and those responsible for the fulfillment of each objective will be credited institutions aided by a group of project management and consulting services.

STAFFING

Position	Qty. of Resources [A]	Estimated Hours per month per Resource [B]	Months Needed [C]	Estimated Hourly Rate [D]	Estimated Monthly Cost [E=AxBxD]	Max Cost for the Program [F=CxE]
Executive Director	1	10	36	\$33.83	\$ 338.00	\$ 12,168.00
Chief Operating Officer	1	20	36	\$33.83	\$ 677.00	\$ 24,372.00
Finance Director	1	40	36	\$17.00	\$ 680.00	\$ 24,480.00
Administrative Assistant 1	1	86	36	\$9.00	\$ 774.00	\$ 27,864.00
Total Estimated Monthly Cost:					\$ 2,469.00	
Total Staffing Cost:						\$ 88,884.00

*Estimate amount in rate, hours, and monthly cost, could vary based on actual need and work performed on the program

PROFESSIONAL SERVICES

Services Name	Services Description	Budget
Education Institution Services	Educational Institutions that will provide courses to the participants of the program during the length of the agreement.	\$ 916,814.00
Administration Services	Personnel responsible for outreach activities, professional services procurement process, program management, program compliance and coordination with educational institutions.	\$ 901,442.00
Total Budget for Services to be Contracted:		\$ 1,818,256.00

EQUIPMENT

Item Name	Item Description	Budget
Office Furniture	Furniture for the program such as but not limited to chairs, desks, cabinets, tables, and storage furniture.	\$ 14,630.00
Total Expenses Budget:		\$ 14,630.00

PROJECT ACTIVITY DELIVERY COSTS		
Staffing	Direct personnel for the program.	\$ 88,884.00
Professional Services	Education institution services and administrative services for the program.	\$ 1,818,256.00
Equipment	Computer equipment and office furniture for the program only.	\$ 14,630.00
TOTAL COSTS		\$ 1,921,770.00
GRAND TOTAL		\$ 1,921,770.00

Budget Re-distribution

- a) The Subrecipient may request in writing to the PRDOH a re-distribution of the Maximum Authorized Budgets shown above without exceeding the Total Authorized Budget.
- b) The PRDOH will evaluate the re-distribution request to validate purpose and balance of funds, and if determined the re-distribution is in benefit for the Program and the balance of funds is validated, the PRDOH will provide written authorization to the Subrecipient. Until the written authorization is submitted by the PRDOH, the re-distribution cannot be considered as authorized.
- c) This re-distribution of funds as described here shall be considered binding and will not require an amendment to this SRA.

END OF DOCUMENT

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EXHIBIT G

SUBROGATION AND ASSIGNMENT PROVISIONS

MUNICIPALITY OF ARECIBO

WORKFORCE TRAINING (WFT) PROGRAM

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1. General Provisions.

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- a) The Parties acknowledge that the following provisions of this Exhibit are hereto incorporated by reference and made an integral part of the aforementioned Subrecipient Agreement as **Exhibit G**.
- b) Changes in the provisions of this Exhibit will require an amendment to the Subrecipient Agreement. Such amendment would result in the incorporation by reference of a modified **Exhibit G** to the Subrecipient Agreement.

2. Subrogation and Assignment Relating to Funds Received from the Puerto Rico Department of Housing WORKFORCE TRAINING (WFT) PROGRAM

- a) These provisions are incorporated into the Subrecipient Agreement in consideration of the commitment by PRDOH to evaluate Subrecipient's application for the award of disaster assistance funds (the "**Application**") or the Subrecipient's receipt of CDBG-DR disaster recovery funds (the "**Grant Proceeds**") under the Program being administered by PRDOH.
- b) Subrecipient understands and acknowledges that the Program is subject to the provisions of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended, 42 U.S.C. §§ 5121-5207 (the "**Act**") and that, under such Act, the Subrecipient may only receive assistance to the extent that the Subrecipient has a disaster recovery need that is not fully met by insurance or other forms of disaster assistance. Subrecipient further acknowledges that these provisions are intended to ensure that Subrecipient does not receive duplicate benefits available to the Subrecipient from another source, for the same purposes as the Grant Proceeds provided under the Program, and that, any assistance determined to be duplicative must be deducted from the Program's calculation of the Subrecipient's total need prior to awarding assistance.
- c) Subrecipient hereby subrogates and assigns to PRDOH any and all of Subrecipient's future rights to, and any interest Subrecipient may have in, any reimbursement and all payments received or subsequently received from any grant, loan, insurance policy or policies of any type (each individually, a "**Policy**" and collectively, the "**Policies**"), or under any subsidy, reimbursement or relief program related to or administered by the Federal Emergency Management Agency ("**FEMA**"), insurance payments, or any other federal, state or local government agency (each, individually, a "**Disaster Program**" and collectively, the "**Disaster Programs**") to the extent of all Grant Proceeds paid or to be paid under the Program and that are determined, in the sole discretion of PRDOH or its designated agent, to be a duplication of benefits ("**DOB**"). Any payments referred to in this paragraph, whether they are from Policies, FEMA, or any other source, and whether or not such amounts are a DOB, shall be referred to herein as "**Proceeds**"; any Proceeds that are determined to be a DOB shall be referred to herein as "**DOB Proceeds**".

- d) Subrecipient agrees that, in the event that Subrecipient receives additional Proceeds related to disaster recovery that are not listed on the Duplication of Benefits Certification submitted in connection with the Application, Subrecipient will notify the PRDOH within **ten (10) working days** of receipt of the funds by sending a written notification to ecoreccdbg@vivienda.pr.gov. PRDOH will, in turn determine, in its sole discretion, if such Proceeds constitute DOB Proceeds. If any of the Proceeds are determined to be DOB Proceeds, the Subrecipient shall pay PRDOH the DOB Proceeds, to be disbursed as provided in Section 3 of this Agreement.

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3. Cooperation and Further Documentation.

- a) If PRDOH elects to pursue any of the claims Subrecipient has or may have under any Policies, Subrecipient agrees to assist and cooperate with PRDOH. Subrecipient's assistance and cooperation shall include, but shall not be limited to, allowing suit to be brought in Subrecipient's name(s) and providing any additional documentation with respect to such consent, giving depositions, providing documents, producing records and other evidence, testifying at trial, and any other form of assistance and cooperation reasonably requested by the PRDOH. Subrecipient also agrees to assist and cooperate in the attainment and collection of any DOB Proceeds that the Subrecipient would be entitled to under any applicable Disaster Assistance Program.
- b) If requested by PRDOH, Subrecipient agrees to execute such further and additional documents and instruments as may be requested to further and better subrogate and assign to PRDOH (to the extent of the Grant Proceeds paid to Subrecipient under the Program) the Policies, any amounts received under the Disaster Assistance Programs that are determined to be DOB Proceeds and/or any rights thereunder. Subrecipient further agrees to take, or cause to be taken, all actions and to do, or cause to be done, all things requested by the PRDOH to consummate and make effective the purposes of these provisions.
- c) Subrecipient expressly allows and authorizes PRDOH to request information from any company with which Subrecipient holds or held any insurance policy or policies of any type, any other company or entity -public or private- from which the Subrecipient has applied for or is receiving assistance (such as FEMA, or others), or any non-public or confidential information determined by PRDOH, in its sole discretion, to be reasonably necessary to monitor/enforce its interest in the rights subrogated and assigned to it under this Agreement, and grant consent to such company or entity to release said information to the PRDOH.

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4. Agreement to Turn Over Proceeds; Future Reassignment.

- a) If Subrecipient (or, to the extent permitted by superior loan documents, any lender to which DOB Proceeds are payable) hereafter receives any DOB Proceeds, Subrecipient agrees to promptly pay such amounts to PRDOH, if Subrecipient received Grant Proceeds under the Program in an amount greater than the amount Subrecipient would have received if such DOB Proceeds had been considered in the calculation of Subrecipient's award.
- b) In the event that Subrecipient receives or is scheduled to receive any Proceeds not listed on its Duplication of Benefits Certification ("**Subsequent Proceeds**"), Subrecipient shall pay such Subsequent Proceeds directly to the PRDOH, and PRDOH will determine the amount, if any, of such Subsequent Proceeds that are DOB Proceeds ("**Subsequent DOB Proceeds**"). Subsequent Proceeds shall be disbursed as follows:

- (i) If Subrecipient has received full payment of the Grant Proceeds, Subrecipient shall remit any Subsequent DOB Proceeds to PRDOH. PRDOH shall return to the Subrecipient any Subsequent Proceeds in excess of the Subsequent DOB Proceeds.
- (ii) If Subrecipient has received no payment of the Grant Proceeds, PRDOH shall reduce the payment of the Grant Proceeds to Subrecipient by the amount of the Subsequent DOB Proceeds and shall return all Subsequent Proceeds in excess of the Subsequent DOB Proceeds to Subrecipient.
- (iii) If Subrecipient has received a portion of the Grant Proceeds, the following shall occur: (A) PRDOH shall reduce the remaining payments of the Grant Proceeds and return Subsequent DOB Proceeds in such amount to the Subrecipient; and (B) Subrecipient shall remit any remaining Subsequent DOB Proceeds to PRDOH. PRDOH shall also return to the Subrecipient any Subsequent Proceeds in excess of the Subsequent DOB Proceeds.
- (iv) If the PRDOH makes the determination that Subrecipient does not qualify to participate in the Program or Subrecipient decides not to participate in the Program, PRDOH shall return the Subsequent Proceeds to Subrecipient, and the Agreement shall terminate.

- c) Once PRDOH has recovered an amount equal to the Grant Proceeds paid to Subrecipient, PRDOH will reassign to Subrecipient any rights given to PRDOH pursuant to these provisions.

5. Miscellaneous.

- a) Subrecipient hereby represents that all statements and representations made by Subrecipient regarding any Proceeds are true and correct, as of the date of the issuance of the Grant Proceeds.
- b) In any proceeding to enforce these provisions, PRDOH shall be entitled to recover all costs of enforcement, including PRDOH's attorney fees.
- c) The parties hereto each waive the right to have any judicial proceeding concerning any of the provisions hereof tried by a jury.
- d) Neither these provisions, nor any portion or provisions hereof may be changed, waived, or terminated orally or by any course of dealing, or in any manner other than by an agreement in writing, signed by all parties hereto and approved by PRDOH.
- e) These Subrogation and the rights and obligations of the parties shall be governed and construed in accordance with federal law and the laws of the Government of Puerto Rico without giving effect to conflict of law provisions. Any action arising out of or related to this Subrogation and Assignment provisions shall be brought within the Government of Puerto Rico.
- f) The captions of the various sections of this Subrogation and Assignment provisions have been inserted only for the purpose of convenience; such captions are not a part of the Agreement and shall not be deemed in any manner to modify, explain, enlarge or restrict any provisions of this Subrogation.
- g) Subrecipient acknowledges that making a false, fictitious, or fraudulent statement or representation in this agreement is punishable under State and Federal law (18 U.S.C. §§ 287, 1001 and 31 U.S.C. § 3729), and shall constitute a separate criminal offense each time a public benefit is fraudulently received.

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- h) Subrecipient acknowledges that they have been informed and understand the penalties for making a materially false or misleading statement to obtain CDBG-DR funds under the Program or any other of the PRDOH's Programs.

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AMENDMENT A_CONTRACT NO. 2022-DR0110 (003)

Final Audit Report

2022-05-13

Created:	2022-05-11
By:	Radames Comas Segarra (rcomas@vivienda.pr.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAAToF27A48QUPzsxUv6R1a0fg8-NALr664

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-  Agreement completed.
2022-05-13 - 7:42:43 PM GMT



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