

Amendment D

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

AMENDMENT D TO THE AGREEMENT FOR HOME REPAIR, RECONSTRUCTION, OR RELOCATION CONSTRUCTION MANAGERS BETWEEN THE

PUERTO RICO DEPARTMENT OF HOUSING AND

CUSTOM GROUP LLC

Contract No. 2020-DR0034

Amendment D Contract No. 2020-DR0034D



This AMENDMENT D TO AGREEMENT FOR HOME REPAIR, RECONSTRUCTION, OR RELOCATION PROGRAM CONSTRUCTION MANAGERS (Amendment or Amendment D) is entered into in San Juan, Puerto Rico, this 06 __ of June _____, 2025, by and between the PUERTO RICO DEPARTMENT OF HOUSING (PRDOH), a public agency created under Act No. 97 of June 10, 1972, as amended, 3 LPRA § 441, et seq., known as the "Organic Act of Department of Housing" with principal offices at 606 Barbosa Avenue, San Juan, Puerto Rico, herein represented by Ciary Y. Pérez Peña, of legal age, single, and resident of Las Piedras, Puerto Rico, in her capacity as Secretary; and CUSTOM GROUP LLC (CONTRACTOR), with principal offices in 3 Rios Building, Ave. González Giusti, Suite 202, Guaynabo, Puerto Rico, herein represented by Ramón J. De León Iturriaga, in his capacity as President, of legal age, married, and resident of South Carolina, duly authorized by Corporate Resolution issued on December 14, 2018.

I. RECITALS AND GENERAL AWARD INFORMATION

WHEREAS, on December 12, 2019, the PRDOH and the CONTRACTOR entered into an Agreement for Home Repair, Reconstruction, or Relocation Program Construction Managers under the CDBG-DR Program, registered under Contract No. 2020-DR0034, for a maximum amount not to exceed FIFTEEN MILLION DOLLARS (\$15,000,000.00), ending on December 11, 2022 (Agreement or Contract).

WHEREAS, on November 30, 2022 the Agreement was amended through Amendment A, registered as Contract No. 2020-DR0034A. The Parties agreed to modify the terms and conditions of the Agreement. Also, the Parties agreed to extend the term of the Agreement for an additional twenty-four (24) months, ending on December 10, 2024. Furthermore, a new Attachment I (Contractor Certification), and a new Attachment J (Non-Conflict of Interest Certification) were incorporated into the Agreement. Article LIV. CDBG-DR POLICIES AND PROCEDURES, Article LV. ORDER OF PRECEDENCE, Article LVII. FEDERAL LAWS AND REGULATIONS, AND ARTICLE LVIII. SYSTEM FOR AWARD MANAGEMENT (SAM) REGISTRATION, and Article LVIII. 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, Article LIV. COMPLIANCE WITH THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO (FOMB) POLICY, REVIEW OF CONTRACTS, were incorporated into the Agreement. Lastly, the total budget of the Agreement was amended to TWENTY-TWO MILLION DOLLARS (\$22,000,000.00).

WHEREAS, on May 9, 2024, the Agreement was amended through Amendment B, registered as Contract No. 2020-DR0034B. The Parties agreed to modify the terms and conditions of the Agreement. The total budget of the Agreement was amended to TWENTY-SEVEN MILLION DOLLARS (\$27,000,000.00). Also, Attachment I (Contractor Certification) and Attachment J (Non-Conflict of Interest Certification) were amended. Article LX. LIMITATIONS PENDING ENVIRONMENTAL CLEARANCE was incorporated into the Agreement. The term of the Agreement remained the same.

WHEREAS, on November 7, 2024, the Agreement was amended through Amendment C, registered as Contract No. 2020-DR0034C. The Parties agreed to modify the terms and conditions of the Agreement. Also, Attachment G (HUD General Provisions), Attachment I (Contractor Certification), and Attachment J (Non-Conflict of Interest Certification) were amended. The term of the Agreement was extended ending on June 10, 2025. The budget remained the same.

WHEREAS, it is the intention of the Parties that this Amendment 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, each party represents that the person executing this Amendment has the necessary legal authority to do so on behalf of the respective party.

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. SAVINGS CLAUSE

The information included in this Amendment D serves the purpose of modifying and amending certain terms and conditions under the Agreement, as established in the following Articles III and IV of this Amendment D. All other provisions of the original Agreement, including its attachments, shall continue to be in full force and effect.

III. SCOPE OF AMENDMENT

Under the Home Repair, Reconstruction, or Relocation Program, PRDOH executed contracts for Construction Management Services. The case assignment for each contractor has been completed, and no additional cases will be assigned under these contracts.



Therefore, to guarantee the uninterrupted operation of the Program, a partial budget reduction is necessary. The revised budget remains sufficient to cover all expected cost related to current, and pending tasks, including contract closeout. This amendment only reduces the budget allocation, making available the reallocation of Program funds to address other critical needs.



Consequently, through Amendment D, **ARTICLE IV. COMPENSATION AND PAYMENT** is being amended to reduce the budget by **ONE MILLION DOLLARS (\$1,000,000.00)**. The new total amount of the contract is **TWENTY-SIX MILLION DOLLARS (\$26,000,000.00)**. Additionally, the parties agree to update **ARTICLE XX. NOTICES.**

Lastly, this Amendment includes updated versions of **Attachment I** (Contractor Certification), and **Attachment J** (Non-Conflict of Interest Certification). All other provisions of the original Agreement, including the term, remain unaltered.

I. AMENDMENTS

- A. The Parties agree to amend **Article IV. COMPENSATION AND PAYMENT,**Paragraph B, with the following:
 - B. The PRDOH will pay the CONTRACTOR, for allowable services performed during the term of this Agreement, a maximum amount not to exceed: **TWENTY-SIX MILLION DOLLARS** (\$26,000,000.00); **Activity Code:** r02h07rrr-doh-lm; r02h07rr-doh-lm; r02h07rrr-doh-lm; r02h07rrr-doh-lm; r02h07rr-doh-lm; r02h07rr-doh-lm;
- B. The Parties agree to amend **Article XII. TERMINATION**, **Paragraph G**, with the following:
 - G. Period of Transition: Upon termination or expiration of this Agreement, and for one hundred and eighty (180) calendar days, with the option of extending the period of transition for additional terms thereafter (the Transition Period), CONTRACTOR agrees to make himself available to assist the PRDOH. CONTRACTOR shall provide to the PRDOH the assistance reasonably requested to facilitate the orderly transfer of responsibility for the performance of the Services to the PRDOH or a third party designated by the PRDOH. PRDOH reserves the right to provide for the execution of a Transition Services Agreement for the Transition Period. In such instance, the CONTRACTOR will be paid at a reasonable, agree upon, hourly rate for any work performed for the PRDOH during the Transition Period, all finished or unfinished records (files, data, work product) connected with this Agreement will be turned over to PRDOH.
- C. The Parties agree to update PRDOH's information to amend **Article XX. NOTICES** as follows:

AMENDMENT D to the Home Repair, Reconstruction, or Relocation Program

Construction Manager Agreement

Between the PRDOH and CUSTOM GROUP LLC

under CDBG-DR

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To: PRDOH Ciary Y. Pérez Peña

Secretary

Puerto Rico Department of Housing

606 Barbosa Ave.

Juan C. Cordero Dávila Bldg.

San Juan, PR 00918

D. A revised **Attachment I** (Contractor Certification) is hereto incorporated by reference into the Agreement and made part of the Agreement in place of the original **Attachment I**. (**Attachment I** on this Amendment D).

E. A revised **Attachment J** (Non-Conflict of Interest Certification) is hereto incorporated by reference into the Agreement and made part of the Agreement in place of the original **Attachment J**. (**Attachment II** of this Amendment D).

II. HEADINGS

The titles of 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.

III. 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 Programs, and any other applicable laws. Further, the CONTRACTOR acknowledges that all funds are subject to recapture and repayment for non-compliance.

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



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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, that are found to be ineligible, unallowable, unreasonable, 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 and any subsequent amendment thereto. 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 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 which 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.

X. INSURANCE REQUIREMENTS SUBMISSION

PRDOH will execute this AMENDMENT D conditioned on the CONTRACTOR submitting the required insurance policies within **thirty** (30) calendar days of the signing of this AMENDMENT D. Failure to comply with the submission of the insurance policies may result in the withholding of reimbursement or the termination of the Agreement.

XI. 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 that 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.

XII. 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 or falseness in such Certification will render the contract null and void and the 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.



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XIII. SURVIVAL OF TERMS AND CONDITIONS

The terms and conditions of this Amendment related to the following subjects shall survive the termination or expiration of this Amendment: interpretive provisions; consideration; warranties; general affirmations, federal assurances, federal and state certifications; CDBG-DR and state funding, recapture of CDBG-DR and/or state funds, overpayment of CDBG-DR and/or state funds; ownership and intellectual property, copyright; records retention methods and time requirements; inspection, monitoring, and audit; confidentiality; public records; indemnification and liability; infringement of intellectual property rights; independent contractor relationship; compliance with laws; notices; choice of law and venue; severability; dispute resolution; consolidations, merger, change of name, and dissolution. Terms and conditions that, explicitly or by their nature, evidence the Parties' intent that they should survive the termination or expiration of this Amendment shall so survive.

XIV. COMPLIANCE WITH ADMINISTRATIVE ORDER NO. OA-HD-25-03 OF PRDOH

On April 28, 2025, PRDOH issued an Administrative Order No. OA-HD-25-03, to establish public policy regarding the use and management of electronic and digital signatures within PRDOH. Additionally, to recognize electronic and digital signatures in the course of PRDOH's operations.

In compliance with OA-HD-25-03, PRDOH validates the consent of the electronic signatories through the incorporation of the following clause:

The Parties agree that this document may be signed by electronic means. They further acknowledge that, if signed in this manner, the document shall retain its legal validity and effect with respect to enforceability, consent, applicability, and admissibility.

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

PUERTO RICO DEPARTMENT OF HOUSING

CUSTOM GROUP LLC

Clury Y. Perez Peño Ciary Y. Pérez Peña (Jun 6, 2025 10:22 EDT)

Ciary Y. Pérez Peña

Secretary

Ramón J. De León Iturriaga

President



APPENDIX C CONTRACTOR CERTIFICATION FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO CONTRACTS REVIEW POLICY

CUSTOM GROUP LLC

The following is hereby certified to the Oversight Board regarding the request for authorization to execute an amendment for **Home Repair**, **Reconstruction**, **or Relocation Construction Manager Agreement** by and between the **Puerto Rico Department of Housing (PRDOH)** and **CUSTOM GROUP LLC**:

CYPP

1. The expected subcontractor(s) in connection with the proposed contract¹ is (are) the following:

Sub-contractor	Role	Primary Contact Name	NTE Contract Amount	UEI
Earth Engineers	Geotechnical	Marcos Arocho	125,000.00	P4UGRKTW8NQ7
EBP Land	Surveying	Enrique Blanes	130,000.00	LS2ZEK34EA37
EBP Design	A/E Services	Enrique Blanes	1,300,000.00	DT3MV9JBNEN5
Gomez Enterprises LLC	Construction	Shamayla Hernandez	500,000.00	KSD4BKQFLVA3
L&M Rivera Construction	Construction	Maria M. Rivera	500,000.00	M736J9ESJK53
Advisor Group General Contractors Corp.	Construction	Modesto Estrada Diaz	500,000.00	TXJ7HFZRLM1
Custom Group Construction, LLC	Construction	Francisco Sanchez	500,000.00	QM1RE7F1PME5

2. Neither the contractor nor any of its owners², partners, directors, officials, or employees, has agreed to share or give a percentage of the contractor's compensation under the contract to, or otherwise compensate, any third party,

As used herein, the term "contract" is inclusive of any amendments, modifications or extensions.

² For purposes of this certification, a contractor's "owner" shall mean any person or entity with more than a ten percent (10%) ownership interest in the contractor.

whether directly or indirectly, in connection with the procurement, negotiation, execution or performance of the contract, except as follows:

N/A

3. To the best knowledge of the signatory (after due investigation), no person has unduly intervened in the procurement, negotiation or execution of the contract, for its own benefit or that of a third person, in contravention of applicable law.

CYPP

- 4. To the best knowledge of the signatory (after due investigation), no person has: (i) offered, paid, or promised to pay money to; (ii) offered, given, or promised to give anything of value to; or (iii) otherwise influenced any public official or employee with the purpose of securing any advantages, privileges or favors for the benefit of such person in connection with the contract (such as the execution of a subcontract with contractor, beneficial treatment under the contract, or the written or unwritten promise of a gift, favor, or other monetary or non-monetary benefit).
- 5. Neither the contractor, nor any of its owners, partners, directors, officials or employees or, to the best of its knowledge (after due investigation), its representatives or sub-contractors, has required, directly or indirectly, from third persons to take any action with the purpose of influencing any public official or employee in connection with the procurement, negotiation or execution of the contract, in contravention of applicable law.
- 6. Any incorrect, incomplete or false statement made by the contractor's representative as part of this certification shall cause the nullity of the proposed contract, and the contractor must reimburse immediately to the Commonwealth any amounts, payments, or benefits received from the Commonwealth under the proposed contract.

FOMB POLICY APPENDIX C Contractor Certification Requirement Page 2 / 2

I hereby certify under penalty of perjury that the foregoing is complete, true, and correct on this 13th day of March of 2025.

Tomin let for	March 13, 2025	
Signature	Date	
,		
Custom Group, LLC / Ramón J. de León	President	
Printed Name	Position	





ATTACHMENT J

NON-CONFLICT OF INTEREST CERTIFICATION

CUSTOM GROUP LLC

The CONTRACTOR certifies that:



- 1. No public servant of this executive agency has a pecuniary interest in this contract, subrecipient agreement, purchase, or commercial transaction.
- No public servant of this executive agency has requested me or accepted from
 me, directly or indirectly, for him (her), for any member of his family unit or for
 any person, gifts, bonuses, favors, services, donations, loans or anything else of
 monetary value.
- 3. No public servant (s) requested or accepted any good of economic value, linked to this transaction, from any person of my entity as payment for performing the duties and responsibilities of their employment.
- 4. No public servant has requested from me, directly or indirectly, for him (her), for any member of his or her family unit, or for any other person, business, or entity, something of economic value, including gifts, loans, promises, favors or services in exchange for the performance of said public servant is influenced in my favor or of my entity.
- 5. I have no kinship relationship, within the fourth degree of consanguinity and second by affinity, with any public servant who has the power to influence and participate in the institutional decisions of this executive agency.



"I hereby certify under penalty of perjury that the foregoing is complete, true, and correct."

Signature

March 13, 2025

Date

Custom Group, LLC / Ramón J. de León
Printed Name

President Position

