GOVERNMENT OF PUERTO RICO
PUERTO RICO INTEGRATED TRANSPORTATION AUTHORITY

AGREEMENT

NUMBER OF COMPTROLLER 2027-000025

In San Juan, Puerto Rico this 28 of July, 2026.

APPEAR

AS FIRST PARTY: THE PUERTO RICO INTEGRATED TRANSPORTATION AUTHORITY, a public corporation and governmental instrumentality of the Government of Puerto Rico, created under Act No. 123-2014 as amended, and represented by its Executive Director, Josué L. Menéndez Agosto, of legal age, single and resident of Guaynabo, PR, in the exercise of the faculties conferred by Resolution No. 2022-01 of June 14, 2022; hereinafter referred to as the **"AUTHORITY and/or PRITA"**.

AS PARTY OF THE SECOND PART: ENZO GROUP, LLC, a limited liability company organized under the laws of the Government of Puerto Rico, represented by its Operations Manager, Brenda E. Valcárcel Nogueras, of legal age, and resident of Trujillo Alto, Puerto Rico; duly authorized to appear in this act according to the General Services Administration Certification No. 202666660 from March 25, 2026; hereinafter referred to the **"CONTRACTOR, ENZO and/or CONSULTANT"**.

WITNESSETH

WHEREAS Act 123-2014 enabled and commissioned PRITA to serve as the central agency responsible for managing and developing Puerto Rico's wide mass transportation programs.

WHEREAS the CONTRACTOR is willing to provide Engineering Services and Project Management for PRITA.

THEREFORE, PRITA's Office of Finances has issued the corresponding certification of funds for the purchase of such services and as established in Art. 5(a)(8) of Act 123-2014 proceed to grant, by mutual consent and undertakings herein, each party accords this Agreement as follows:

TERMS AND CONDITIONS

I – TERM: This Agreement shall be effective on the date of its signature by the Executive Director of PRITA and shall expire on June 30, 2027. However, the CONTRACTOR must finish the work on or before, subject to delays caused by "Force Majeure", circumstances beyond the CONTRACTOR's reasonable control on the mutually agreed upon date established on the notice to proceed.

II – AUTHORIZED REPRESENTATIVE: The Executive Director or its authorized representative shall be responsible for the administration of this contract.

III – SCOPE OF WORK

3.1 The CONTRACTOR shall be responsible for providing Engineering Services and Project Management for PRITA as established in the proposal dated June 30, 2026, herewith annexed as Exhibit A; if a conflict arises between the proposal and this contract, this last one shall prevail.

3.2 The CONTRACTOR will provide Engineering Services and Project Management for PRITA, but not limited to:

- Project Management for formal communications, daily assignment and project coordination
- Assist in actioning and bidding process
- Facility inspections
- Engineering reports, specialized services, engineering designs, construction plans, permitting, survey works
- Study of the existing design drawings and specifications
- Site visits to compare and review the actual construction works with the specifications and plans provided by PRITA
- Weekly meetings
- Writing Project Memorial
- A weekly inspection report with findings to be provided at the end of every month. The inspection report will be supplemented with pictures of the works (photo gallery).
- Certification of the inspection documents
- Any other assignment or matter assigned by the AUTHORITY according to its area of expertise

3.1 For the other specific service will be performed by the Consultant in accordance with Exhibit D, Request of Services; Exhibit E, Consultant's Proposal of Request of Services and Exhibit F, PRITA's Acceptance of Consultant's Proposal of Request of Services and Notice to Proceed.

3.3 The services will be performed by the CONTRACTOR in accordance with the Notice to Proceed. For the purposes of Act 18-1975, as amended (2 L.P.R.A. § 97 et seq.); this Agreement shall be in full force and in effect from the PRITA's Executive Director signature until June 30, 2027. However, the CONTRACTOR must finish the work on or before the date established on the notice to proceed.

IV – PERFORMANCE STANDARDS: CONSULTANT certifies that the services described in the proposal shall conform to the professional standards of care and practice customarily expected of other firms engaged in performing comparable work. FRODO will ensure that all engineering and architectural work shall be commissioned to a professional or a professional services organization in accordance with Act 173 of August 12, 1988, as amended

("Act of the Puerto Rico Examining Board of the Engineers, Architects, Surveyors and Landscapers") as may be applicable to the specific work, task or service.

V – COMPENSATION

5.1 – The Consultant shall be paid direct labor fees, as detailed in this Agreement, provided that the total sum of all payments made to the Consultant on account of direct labor costs, of otherwise, shall not exceed in the aggregate amount of $200,000.00. Payments will be made from PRITA's account number 100-503-514-173-000.

5.2 – PRITA will not pay the Consultant any quantity that exceeds the total maximum amount stipulated in this Agreement. **THE CONSULTANT is not authorized to render services, in excess of the maximum amount to be paid by the PRTMA before the expiration of this Agreement.** THE CONSULTANT will notify this circumstance to the PRTMA, who will evaluate the need of additional services and the convenience of amending this Agreement in writing, previous to authorizing THE CONSULTANT to render its services. For the services rendered in this contract, Consultant shall be paid according to the following rates:

Category	Rate
Professional Engineer with naval shipyard experience	$150.00/hour
Professional Engineer – Civil and/or Mechanical	$150.00/hour
Safety Inspector with naval shipyard experience	$125.00/hour
Project Manager	$140.00/hour

The CONSULTANT will have the express responsibility of notifying the PRITA in writing, **when payment for the services provided have reached 75% of the maximum compensation allocated pursuant to this Agreement. The Consultant will need to provide PRITA with an estimate of the time and funds that it would take him to conclude the matters that have been referred to him by PRITA.**

VI – INVOICES:

6.1 – Invoices and documents that may support the requests for payment submitted to the PRITA by the CONSULTANT shall be in accordance with the payment terms described below and in duplicate, certified and signed by authorized officials of the CONSULTANT. The invoices and supporting documents should contain detailed information of every activity performed and a detailed description of the services rendered by the CONSULTANT under this Agreement, no later than five (5) days of the period invoiced. THE CONSULTANT shall describe separately the expenses incurred, if any, accompanied by the corresponding evidence.

6.2 – The services rendered by CONSULTANT in Puerto Rico shall be stated

separately on all invoices, and the Authority may retain a percentage of these amounts due for these services, in accordance with the Puerto Rico Internal Revenue Code. If a Release Letter has been issued to CONSULTANT by the Treasury Department, CONSULTANT shall be responsible to submit a copy of said Release Letter to Authority for every calendar year; otherwise, payments under the Agreement shall remain subject to withholding at source. All invoices shall be segregated by concepts (services, material, equipment, etc.) to identify the amounts subject to withholding and avoid undue deductions. The Authority shall not pay invoices unless: (a) the first invoice of the contract is accompanied by the Certification identified as Annex B to this contract and shall notify any change in the information contained therein at the beginning of each tax year, and (b) each invoice must include a table with the original balance, the accumulated invoiced amount, and the remaining balance.

VII – EVALUATION AND PAYMENT

7.1 – The Executive Director of PRITA and/or a duly authorized representative shall review any invoice submitted by the CONSULTANT. If after reviewing, the invoice is correct then PRITA shall certify and approve the services rendered.

7.2 - PRITA shall make the payment to the CONSULTANT within 60 days after the Finance Department of PRITA has received the invoice duly approved by its Executive Director and/or a duly authorized representative.

VIII – INVOICE CERTIFICATION: CONSULTANT agrees that under Act 2-2018, as amended, known as *"Código Anticorrupción para el Nuevo Puerto Rico"*, shall include in the invoices submitted to the Authority, the following certification:

----------***"Subject to penalty if otherwise, I certify that no employee of the PRITA, is a part or has any interest in the profits or benefits acquired from the contractual relationship which is the basis of this invoice. If there is any profit or benefit acquired from this Agreement, I have obtained the corresponding waiver. The sole consideration obtained in return of the professional services rendered under the Agreement is the agreed upon price that has been negotiated with an authorized representative of PRITA. The amount invoiced herein is just and correct. The services have been rendered and no payment has been received."***----------

PRITA shall not pay CONSULTANT for invoices that do not contain the above certification.

---**IX – INTEREST:** PRITA herein agrees to pay interest in the amount of six per cent (6%) per annum on any amounts outstanding on any invoice due and unpaid for more than thirty (30) days from the invoice date. Any such interest shall be computed and due from the date of invoice until paid.

X –Reports: If applicable, CONSULTANT shall submit to the PRITA a monthly report in a word base format with a detailed description of the services rendered during the previous month.

XI –. Notwithstanding anything to the contrary herein contained, the CONSULTANT shall not incur in any obligation or expend any funds on behalf of the PRITA, during the term of this Agreement, without specific written authorization from the PRITA. The CONSULTANT must inform and coordinate with the Executive Director and/or authorized representative, the services, and tasks to be performed in accordance with this Agreement.

XII –: Intentionally left in blank.

XIII – Nothing herein contained shall be interpreted as an act of exclusivity. The CONSULTANT shall have the right to negotiate business transactions that are not illegal, with other entities or persons and the PRITA shall have the right to execute other agreements for matters it deems necessary, including services similar or related to the ones provided herein.

XIV – INSURANCE: The CONSULTANT shall submit to PRITA a copy of the professional liability insurance covering the scope of services herein provided before or on the day of execution of the agreement.

XV – TAXES AND UNEMPLOYMENT CONTRIBUTIONS: CONSULTANT does hereby acknowledge and accept full liability for the payment of all payroll taxes and unemployment contributions or other taxes or contributions now or hereafter imposed by any government or taxing authority having jurisdiction in the premises, and which are measured or computed in accordance with salaries or other compensation, and which have become due or payable by virtue of the performance of the CONSULTANT's obligations hereunder, and CONTRACTOR hereby agrees to indemnify PRITA in the premises.

XVI – PROPERTY RIGHTS

16.1 – Upon prior written request by PRITA or at the termination, cancellation or resolution of this Agreement, CONSULTANT shall submit all documents, information or materials related to this Agreement, which documents shall become property of the PRITA and shall not be used by CONSULTANT under any circumstances, even after the termination of this Agreement, unless it has obtained the prior written authorization of the PRITA.

16.2 – At the PRITA request, or at the expiration, resolution, cancellation or termination of this Agreement, any unfinished job shall be submitted to PRITA, which will have the right to finish such job and use any materials or ideas related to it. In said event, the CONSULTANT shall obtain the necessary consent and authorization from any third-party doing business with him to use the materials and ideas mentioned above. If CONSULTANT does not comply with the obligations set forth herewith, CONSULTANT shall indemnify PRITA for claims against PRITA related to unauthorized uses, reproductions, distributions, alterations, or property rights.

16.3 - CONSULTANT must keep copies of all documentation related to the project by the end of six years for audit purposes only.

XVII – INDEMNIFICATION:

17.1 - Consultant further agrees to indemnify, defend, and hold harmless, PRITA, its executive officers, directors, employees and stockholders, from and against any and all liens and claims, demands or suits (and attorney's fees in connection therewith) for damages to property, arising out of, in connection with, or resulting from the activities of Consultant in the performance of its obligations hereunder, to the extent such property damage is caused proximately by the fault or negligence of Consultant, Consultant's employees and agents, Subcontractor's, or the employees and agents of Consultant's subcontractor.

XVIII – CANCELLATION OF FUNDS: If the funds provided hereunder are in any way limited or cancelled for reasons out of the PRITA control, the parties acknowledge that this Agreement shall be terminated effective the day in which such funds were adjusted or cancelled. In such case, PRITA, subject to the terms and conditions of this Agreement, shall compensate CONSULTANT for services provided to PRITA until the day in which such funds were limited or cancelled. Should these funds be reduced in quantity, the parties shall have the option to negotiate a new agreement in writing subject to the corresponding administrative orders and the availability of funds.

XIX – Intentionally left in blank.

XX – INDEMNITY: The CONSULTANT shall indemnify PRITA for costs incurred by PRITA (including costs, damages and attorney's fees) due to claims and/or legal proceedings against PRITA related to libel, defamation, slander, invasion to the right of intimacy, plagiarism, piracy, unfair competition, illegal appropriation of ideas, violation of intellectual property rights, and other similar claims that may arise as a consequence of the materials or documents prepared by the CONSULTANT for PRITA.

XXI – The CONSULTANT agrees not to disclose any confidential information provided by the Authority for the performance of the services covered by this Agreement to anyone, without the prior written approval of the Authority, during or after the termination of the Agreement. The CONTRACTOR will maintain confidential all information and documents offered by the Authority even after the termination, cancellation or resolution of this Agreement.

XXII – EMPLOYER-EMPLOYEE RELATIONSHIP

22.1 – CONSULTANT is an independent Contractor that is not subject to the personnel laws of the Government of Puerto Rico's and its employees are not entitled to any of the benefits of regular employees of the Government of

Puerto Rico. Thus, it is understood that the benefits stipulated in this Agreement correspond to negotiations among the parties herein and do not have the effect of establishing an employer-employee relationship between the parties. As an independent CONTRACTOR, the CONSULTANT is exclusively responsible for the payment of salaries, wages and/or benefits of the personnel used by them to provide the services herein required. In addition, the CONSULTANT is exclusively responsible for the payment of the State Insurance Fund policy, if applicable, unemployment insurance and any other insurance required by law.

22.2 – CONSULTANT as independent Contractor will be responsible for the payment of the Social Security and other employer's withholdings and will not be entitled to any sick leave, benefits from the Puerto Rico State Insurance Fund, vacations, retirement, or any other fringe benefits. Notwithstanding, PRITA shall be responsible of withholding the applicable tax pursuant to the provisions of the Puerto Rico Internal Revenue Code of 1994, as amended, and its regulations, unless, pursuant to the applicable regulations, a valid Certificate of Waiver from the Puerto Rico Treasury Department for said withholding is submitted to PRITA by CONSULTANT.

XXIII – ASSIGMENT OR SUBCONTRACT: CONSULTANT is not authorized to and will not assign nor subcontract in whole or in part any of the obligations under this contract without the express prior written consent of PRITA. Notwithstanding the above, with the previous written authorization by the PRITA, CONSULTANT may transfer to a financial institution any amount due by PRITA under this Agreement, according to the provisions of Act 16-1967, to guaranty payment of any actual or future debt that CONSULTANT may have with such financial institution.

XXIV – DOCUMENTS REQUIRED FOR THE EXECUTION OF THIS AGREEMENT: Prior or ten (10) days after the Executive Director sign this contract, CONSULTANT must submit to PRITA the following documents, if applicable: 1) Certificate of Incorporation; 2) Certificate of Good Standing; 3) Corporate Resolution authorizing CONSULTANT representative of the corporation to execute the Agreement; 4) Sworn Statement required by the Department of Justice, with the same statements included in this Agreement; and any other document necessary to execute this contract, which documents shall be attached to and form part of this Agreement. Consultant certifies that those documents were submitted as part of the process to obtain the Single Certificate of Suppliers issued by the Puerto Rico General Services Administration.

XXV – REASONS FOR CANCELLATION: In addition to any other remedy or right which the Authority may exercise under the terms of this Agreement, the

Authority may cancel this agreement upon the happening of any one of the following events:

- Abandonment of work by the CONSULTANT.
- The occupancy or seizure by any third party under a court mandate or the attachment of the CONSULTANT's assets located in their premises, if such occupancy, seizure or attachment is not terminated within fifteen (15) days following the date in which it was executed.
- The filing of a petition of bankruptcy or the assignment for the benefit of creditors or for the reorganization of the CONSULTANT's business or for appointment of a trustee; or
- Non-compliance by the CONSULTANT of any of the obligation, covenants or agreements under this Agreement (including the Certification of Compliance as required by any federal agency, including but not limited to FTA) provided that the Authority have served written notice to the CONSULTANT requesting the CONSULTANT to remedy the same within 30 days and the CONSULTANT has refused to do so.
- This Agreement may be terminated by the Authority, by giving the other Party thirty calendar days (30) written notice, providing the CONSULTANT with no additional compensation except for the amount due for services rendered up to the date of termination.

XXVI – NOTICES: Notices to the Authority must be in writing and either delivered by hand or sent by mail; postage prepaid, addressed to the Executive Director, Puerto Rico Integrated Transportation Authority,

Notices to the CONSULTANT must be in the same manner addressed to: Hernán E. López Báez, ENZP Group.

XXVII – GOVERNMENT ETHICS: CONSULTANT, for itself and its shareholders, directors, officials, and employees, as defined in the Puerto Rico Government Ethics Act, certify that:

- None of the PRITA public officers or employees have a direct or indirect pecuniary interest in this Agreement, or any other interest that may adversely affect the same.
- No public employee or any member of any employee's family has or has had a direct or indirect pecuniary interest as a result if this Agreement.
- None of CONSULTANT's directors, officers, agents, or employees, as applicable, or their family members, acted as public employees or officers who have access in the decision-making process to determine the need for the services rendered under this Agreement and to the process of negotiation or execution of the same.
- Upon signature of this contract, there exist no conflicts of interests that may affect the services to be rendered and they do not have and will not represent any other client or interest that may be in conflict or that may cause conflict of the public policy established by PRITA in relation to this Agreement.
- No employee or official of PRITA or their family members have or have had during the last four (4) years before occupying it position, direct or indirect pecuniary interest in this Agreement and they have no

knowledge of any employee of the Government of Puerto Rico that has any interest in the profits or benefits derived from this Agreement.

- No director, officer, or employee of CONSULTANT, as applicable, has worked as a public officer or employee, in relation to the services herein provided, within two (2) years preceding the execution of this Agreement.
- CONSULTANT certifies their professional code of ethics, and they will abide by them throughout the performance of their professional services herein required by PRITA.
- CONSULTANT certifies that it has review and understood all the provisions contained in the Government Ethics Laws of Puerto Rico, as set forth in this contract, and certifies that it does not have a conflict of Interest, as required by the Office Of Government Ethics of Puerto Rico, Letter Number 2002-05.
- CONSULTANT agrees to fully comply with the Code for Consultants, Suppliers of goods and services and Financial Incentives Applicants of the Executive Agencies of the Commonwealth of Puerto Rico, established by virtue of Act 2-2018, as amended, as set forth in this Agreement.

PRITA certifies that none of its public officers or employees who have the power to approve and authorized this Agreement, or any member of their families, have or had have, during the four (4) years prior to occupying their position, direct or indirect pecuniary interest with the project or with CONSULTANT.

XVIII – FELONY AGAINST PUBLIC TREASURY AND OTHERS

28.1 – CONSULTANT certifies and guarantees, for itself and its shareholders, directors, officials, or employees that they are not under any investigation, or civil or criminal process because of any felony against public treasury, testimony, and public function or that involves state and federal funds or public property. CONSULTANT has the obligation to inform the PRITA during all the phases before the execution of this Agreement and after, of any investigation, or civil or criminal process, that it may be subject to, by any felony against public treasury, testimony, and public function or any state or federal funds or public property. In case that CONSULTANT, its shareholders, directors, officials, or employees are guilty of any criminal charge against public treasury, testimony and public function or that involves funds or public property in any jurisdiction, this Agreement shall be terminated immediately.

28.2 – In case that CONSULTANT commits any offense as defined in Chapter VI of Act 2-2018, as amended, that indirectly or directly affects this Agreement, it will be rescinded, and PRITA will be entitled to demand the return of the benefits granted and urge any appropriate action in law.

XXIX – ADVERSE INTERESTS

29.1 – CONSULTANT recognizes that while performing its performing obligations pursuant to this Agreement it has a duty of complete loyalty of behalf or the PRITA, which includes not having adverse interest with regard to the PRITA. The

duty of loyalty also includes the continuous obligation to disclose to PRITA all the circumstances of its relationship with clients and other third persons or organizations and any other factor that may influence the PRITA at the time of executing the Agreement or during its term.

29.2 – It shall be understood that CONSULTANT represents adverse interests when, on behalf of PRITA, it has a duty to promote something to which it must oppose to fulfill its obligation to a previous, current, future client, associate, or vice versa. It also represents adverse interests when its conduct is described as such in the code of professional ethics of the profession it represents, or in the laws and regulations of the Government of Puerto Rico. It shall constitute a violation of the prohibition of the fact that any CONSULTANT directors, associates or employees incur in the conduct described herein. CONSULTANT shall prevent the mere appearance of the existence of adverse interests.

XXX – ADVERSE INTEREST PROCEDURE: CONSULTANT acknowledges that PRITA have the power to supervise that CONSULTANT complies with the prohibitions hereinabove. If PRITA determines that there is a conflict of interest or that a conflict has arisen with regard to CONSULTANT, the Authority shall notify in writing the findings and its intention to rescind this Agreement in a period of thirty (30) calendar days. During such a term, the CONSULTANT may request in writing a meeting with the Executive Director of PRITA for the purpose of exposing and discussing its arguments and position with respect to the alleged conflict of interest. The Executive Director of PRITA or authorized representative shall allow such a meeting. If the CONSULTANT does not request such a meeting or if the issue is not satisfactorily solved or decided during the said meeting, this contract shall be terminated.

XXXI – TERMINATION: This Agreement may be terminated by PRITA, by giving CONSULTANT thirty (30) days previous written notice, providing CONTRACTOR with no additional compensation except for the amount due for services rendered up to the date of termination. Notwithstanding the foregoing, the parties agree that PRITA may reduce the period to twenty-four (24) hours, by its finance situation or if it is in the best interest of the Government of Puerto Rico. In this case, the CONSULTANT must provide PRITA or authorized representative, all documentation, equipment and services completed to date of termination, and copies of those that date were in progress. PRITA acquired ownership of the documents produced so far by CONSULTANT.

XXXII – DEFAULT: A default with regards to the terms and conditions of this Agreement not covered in Section XXV or the negligence, discharge, misconduct or criminal behavior by CONSULTANT, or by any of its officials or employees, shall constitute a breach if this contract and shall, without limitation

of right, allow an immediate release from and discharge of PRITA of any obligation or liability hereunder. In such case PRITA reserves the right to bring any action against CONSULTANT for any of the above circumstances.

XXXIII – OBJECTION: Any failure by the PRITA to object to or take affirmative action with respect to any conduct of CONSULTANT that is in violation of the terms of this Agreement shall not be deemed a waiver of such rights, nor shall any waiver be implied from the making any payment hereunder. The PRITA review, approval, acceptance or payment for services under this Agreement shall not operate as a waiver of any rights under this contract and CONSULTANT shall be and remain liable to PRITA for all damages incurred by PRITA as a result of CONSULTANT failure to perform in conformance with the terms of this Agreement and CONSULTANT shall be remain liable to PRITA for all damages incurred by PRITA as a result of CONSULTANT failure to perform in conformance with the terms and conditions of this Agreement. The rights and remedies of PRITA provided for under this contract are in addition to any other rights or remedies provided by law.

XXXIV – TRANSFER OR CESION: CONSULTANT do not assign or delegate any rights under this Agreement without the prior written consent from PRITA. However, by prior written consent from PRITA, CONSULTANT may authorize the transfer of the amounts pending for paying by the PRITA under this Agreement to a Financial Institution according to the Act 16-1967 (3 L.P.R.A. § 901), for guarantee any present or future debts of CONSULTANT with the financial institutions. Any of these acts without the written consent of PRITA will be void and have no legal effect between the parties.

XXXV – APPLICABLE LAWS: The validity, interpretation, and performance of this Agreement will be governed and be in accordance with the laws, regulations, executive orders, circulars, and regulations of the Government of Puerto Rico and the United States Government, and its jurisprudence. The CONSULTANT agrees to submit to the jurisdiction and venue of the State Court of San Juan, Puerto Rico for claims arising under this Agreement.

XXXVI - SEPARABILITY: In the event that any provision hereof is held to be illegal, invalid or unenforceable by final unappealable order, decree or judgment of any court, such provision shall be deemed to be separate from all of other provisions hereof and all such other provisions shall remain in full force and effect as if such illegal, invalid or unenforceable provision were not a part hereof.

XXXVII - AMENDMENTS: No agent, employee, or other representative of either party is empowered to alter any of the terms hereof, unless done in writing and signed by an authorized executive officer of the respective parties.

XXXVIII – TITLES: The titles used in this Agreement are for reference purposes only and do not constitute an integral part thereof.

XXXIX – OTHER PROVISIONS

A. PUBLICITY: All publicity releases to any news media related to the contracted works, shall be approved and released through the Authority.

B. SUBCONTRACTING: The CONSULTANT shall be fully responsible to the Authority for the negligent acts and omissions of CONSULTANT's Subcontractors, of persons either directly or indirectly employed by him. The CONSULTANT R shall insert in each subcontract appropriate provisions of this Agreement.

C. EQUAL EMPLOYMENT OPPORTUNITY: In connection with the execution of this Agreement, the CONTRACTOR shall not discriminate against any employee or applicant for employment because of race, creed, color, sex or national origin. The CONTRACTOR shall take affirmative action to ensure that applicants are employed, and that employees are treated during their employment, without regard to his race, color, creed, sex or national origin. Such actions will be included but not be limited to the following: employment upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay, or other forms of compensation, and selection for training including apprenticeship. In the execution of this Agreement, the Executive Director of the Authority will be immune of any action against the CONTRACTOR due to any illegality made by him.

D. INELIGIBLE CONSULTANTS: In the event the CONTRACTOR is included in the U.S. Comptroller General's List of Ineligible Consultants for Federally financed or assisted work, this Agreement may be canceled, terminated or suspended by the Authority.

E. COMPLIANCE WITH CIVIL RIGHTS ACT: The CONTRACTOR shall comply with the provisions contained in Title VI of the Civil Rights Act of 1964 which are set forth, attached hereinafter and made an integral part of this Agreement.

F. FRINGE BENEFITS: The CONTRACTOR shall not have the right to fringe benefits with the Authority, as the regular public employees have.

G. CERTIFICATIONS:

1. The Authority certifies that no public official or employee of the Authority or a member of his or her family (whichever is applicable) has direct or indirect interest in this Agreement
2. The CONTRACTOR certifies that no public official or employees of the Authority or a member of their family (whichever is applicable), has direct or indirect interest in this Agreement.
3. The CONTRACTOR certifies that at present he has no contracts with the Government of Puerto Rico.
4. The CONTRACTOR certifies that he does not represent or will not accept to represent interests in conflict with those of the Authority, and that he does not represent any complaint against the Commonwealth of Puerto Rico, its agencies or instrumentality's.
5. The CONTRACTOR certifies that he does not receive any payment or compensation for services rendered under appointment to any other agency, organism, public corporation or municipal government of Puerto Rico or related public instrumentality.
6. The CONTRACTOR certifies and warrants (as established on Exhibit B, Eligibility Certificate issued by the General Administration Services. Government of Puerto Rico) that at the time of the execution of this Agreement he has filed his Income Tax Return for the last five (5) years if required by law and that he does not owe any taxes to the Commonwealth of Puerto Rico. The CONTRACTOR certifies and warrants that at the time of the execution of this Agreement he has paid the unemployment insurance, temporal incapacity and the social security for driver (whichever is applicable, if any). It is expressly agreed that this condition is an essential requirement of the present Agreement and if the above mentioned certification is not correct in whole or in part this will be sufficient cause to cancel this Agreement. The CONTRACTOR will be

responsible to require such certification from all sub-contractors and notify the Authority of such compliance.

I. COMPLIANCE WITH FEDERAL LAWS AND REGULATIONS:

The CONTRACTOR shall at all times comply with all federal laws and regulations, including without limitation Federal Transit Administration (FTA) regulations, policies, procedures, certifications and directives, including but not limited to:

CIVIL RIGHTS ACT OF 1964, TITLE VI – 49 CFR PART 21
CONTRACTUAL REQUIREMENTS

During the performance of this contract, the CONTRACTOR for itself, its assignees and successors in interest (hereinafter referred to as the "CONTRACTOR" agrees as follows:

1. **Compliance with regulations.** The CONTRACTOR shall comply with the Regulations relative to nondiscrimination in Federally assisted programs of the Department of Transportation (hereinafter, "DOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.

2. **Nondiscrimination.** The CONTRACTOR, with regard to the work performed by it during the contract, shall not discriminate on the ground of race, color, or national origin in the selection and retention of subcontractor, including procurements of materials and leases of equipment. The CONTRACTOR shall not participate either directly or indirectly in the discrimination prohibited by section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the regulations.

3. **Solicitations for Subcontracts, Including Procurements of materials and Equipment.** In all solicitations either by competitive bidding or negotiation made by the CONTRACTOR for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the CONTRACTOR or supplier shall be notified by the CONTRACTOR of the CONTRACTOR's obligation under this contract and the Regulations relative to nondiscrimination on the grounds of race, color or national origin.

4. **Information and Reports.** The CONTRACTOR shall provide all information and reports required by the Regulations or directives issued pursuant thereto and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the Sponsor or the Federal Transit Administration (FTA) to be pertinent to ascertain compliance with such Regulations, orders, and instruction. Where any information required of a CONTRACTOR is in the exclusive possession of another who fails or refuses to furnish this information, the CONTRACTOR shall so certify to eh sponsor or the FTA, as appropriate, and shall set forth what efforts it has made to obtain the information.

5. **Sanctions for Noncompliance.** In the event of the CONTRACTOR's noncompliance with the nondiscrimination provisions of this contract, the sponsor shall impose such contract sanctions as it or the FTA may determine to be appropriate, including, but not limited to:

a. Withholding of payments to the CONTRACTOR under the contract until the contract until the CONTRACTOR complies, and/or

b. Cancellation, termination, or suspension of the contract, in whole or in part.

6. **Incorporation of Provisions.** The CONTRACTOR shall include the provisions of paragraphs 1 through 5 in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The CONTRACTOR shall take such action with respect to any subcontract or procurement as the sponsor or the FTA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the CONTRACTOR may request the Sponsor to enter into such litigation to protect the interests of the sponsor and, in addition, the CONTRACTOR may request the United States to enter into such litigation to protect the interests of the United States.

INSPECTION OF RECORDS – 49 CFR PART 18

The CONTRACTOR shall maintain an acceptable cost accounting system. The Sponsor, the FTA, the Comptroller General of the United States shall have access to any books, documents, paper, and records of the CONTRACTOR which are directly pertinent to the specific contract for the purposes of making an audit, examination, excerpts, and transcriptions. The CONTRACTOR shall maintain all required records for three years after the Sponsor makes final payment and all other pending matters are closed.

RIGHTS TO INVENTIONS – 49 CFR PART 18

All rights to inventions and materials generated under this contract are subject to regulations issued by the FTA and the Sponsor of the Federal grant under which this contract is executed. Information regarding these rights is available from the FAA and the Sponsor.

DBE REQUIRED STATEMENTS – CFR PART 26

Policy: It is the policy or the Department of Transportation (DOT) that Disadvantaged Business Enterprises (DBE's) as defined in 49 CFR Part 26 shall have the maximum opportunity to participate in the performance of contracts financed in whole or in part with Federal funds under this agreement. Consequently, the DBE requirements of 49 CFR Part 26, apply to this agreement.

DBE Obligation: The CONTRACTOR or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The CONTRACTOR shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT assisted contracts. Failure by the CONTRACTOR to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy, as the recipient deems appropriate.

Prompt Payment: The prime CONTRACTOR agrees to pay each subcontractor under this prime contract for satisfactory performance of its contact no later than fifteen calendar days from the receipt of each payment the prime CONTRACTOR receives from *the recipient.* The prime CONTRACTOR agrees further to return retainage payments to each subcontractor within than thirty calendar days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the recipient. This clause applies to both DBE and non-DBE subcontractor.

Contract Goals: If applicable, the bidder shall subcontract corresponding percent of the dollar value of the total amount of a DOT-assisted contract to qualified DBE subcontractor as established in the PRITA DBE program. At the moment of the sign of this Agreement the bidder shall submit:

1. The names, addresses of DBE firms that will participate in the contract;
2. A description of work that each DBE will perform;
3. The dollar amount of the participation of each DBE firm;
4. Written and signed document of commitment to use the DBE subcontractor whose participation it submits to meet a contract goal:
5. Written and signed confirmation from the DBE that it is participating in the contract as provided in the prime CONTRACTOR's commitment.
6. If the bidder fails to meet the contract goal, evidence of good faith efforts, as described below shall be submitted.

A bidder fails to meet these requirements, and who cannot show good faith effort will be considered non-responsive (or non-responsible as defined in the recipient's DBE Plan).

Good Faith Effort. The following actions, by the bidder, are generally considered a sign of good faith effort. This list is not exclusive or exhaustive, but should be used as a guide in determining good faith effort.

1. Attendance at pre-bid meetings scheduled to inform DBE's of the project.
2. Advertisement in general circulation, trade association and minority focus media concerning subcontracting opportunities.
3. Written notice to DBE's allowing sufficient time for reply.
4. Follow up of initial solicitation/
5. Selection of portions of the work likely to be performed by DBE's.
6. Provide interested DBE's adequate information for bidding.
7. Negotiation with interested DBE's.
8. Assist interested DBE's with bonding, insurance or credit.
9. Use of minority CONTRACTOR's groups and minority business assistance offices.

Bidders List: The bidder shall submit the name, address, DBE status, age, and gross receipts of all firms bidding or quoting subcontracts on DOT-assisted projects. The attached form may be used report this information.

TRADE RESTRICTION CLAUSE – 49 CFR PART 30

The CONTRACTOR or subcontractor, by submission of an offer and/or execution of a contract, certifies that it:

a. is not owned or controlled by one or more citizens of a foreign country included in the list of countries that discriminate against U.S. firms published by the Office of the United States Trade Representative (USTR);

b. has not knowingly entered into any contract or subcontract for this project with a person that is a citizen or national of a foreign country on said list, or is owned or controlled directly or indirectly by one or more citizens or nationals of a foreign country on said list;

c. has not procured any product nor subcontracted for the supply of any product for use on the project that is produced in a foreign country on said list.

Unless the restrictions of this clause are waived by the Secretary of Transportation in accordance with 49 CFR 30.17, no contract shall be awarded to a CONTRACTOR or subcontractor who is unable to certify to the above. If the CONTRACTOR knowingly procures or subcontracts for the supply of any product or service of a foreign country on said list for use on the project, the Federal Transit Administration may direct through the Sponsor cancellation of the contract at no cost to the Government.

Further, the CONTRACTOR agrees that, if awarded a contract resulting from this solicitation, it will incorporate this provision for certification without modification in each contract and in all lower tier subcontracts. The CONTRACTOR may rely on the certification of a prospective subcontractor unless it has knowledge that the certification is erroneous.

The CONTRACTOR shall provide immediate written notice to the sponsor if the CONTRACTOR learns that its certification or that of a subcontractor was erroneous when submitted or has become erroneous by reason of changed circumstances. The subcontractor agrees to provide written notice to the CONTRACTOR if at any time it learns that its certification was erroneous by reason of changed circumstances.

This certification is a material representation of fact upon which reliance was placed when making the award. If it is later determined that the CONTRACTOR or subcontractor knowingly rendered an erroneous certification, the Federal Aviation Administration may direct through the Sponsor cancellation of the contract or subcontract for default at no cost to the Government.

Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by this provision. The knowledge and information of a CONTRACTOR is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

This certification concerns a matter within the jurisdiction of an agency of the United States of America and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under Title 18, United States Code, Section 1001.

CERTIFICATION REGARDING DEBAREMENT, SUSPENSION, INELIGIBILITY, AND VOLUNTARY EXCLUSION – 49 CFR PART 29

The bidder/offeror certifies, by submission of this proposal or acceptance of this contract, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency. It further agrees by submitting this proposal that it will include this clause without modification in all lower tier transactions, solicitations, proposals, contracts, and subcontracts. Where the bidder/offeror/CONTRACTOR or any lower tier participant is unable to certify to this statement, it shall attach an explanation to this solicitation/proposal.

TERMINATION OF CONTRACT – 49 CFR PART 18

1. The Sponsor may, by written notice, terminate this contract in whole or in part at any time, either for the Sponsor's convenience or because of failure to fulfill the contract obligations. Upon receipt of such notice services shall be immediately discontinued (unless the notice directs otherwise) and all materials as may have been accumulated

in performing this contract, whether completed or in progress, delivered to the Sponsor.
2. If the termination is for the convenience of the Sponsor, an equitable adjustment in the contract price shall be made, but no amount shall be allowed for anticipated profit on unperformed services.
3. If the termination is due to failure to fulfill the CONTRACTOR 's obligations, the Sponsor may take over the work and prosecute the same to completion by contract or otherwise. In such case, the CONTRACTOR shall be liable to the Sponsor for any additional cost occasioned to the Sponsor thereby.
4. If, after notice of termination for failure to fulfill contract obligations, it is determined that the CONTRACTOR had not so failed, the termination shall be deemed to have been effected for the convenience of the Sponsor. In such event, adjustment in the contract price shall be made as provided in paragraph 2 of this clause.
5. The rights and remedies of the sponsor provided in this clause are in addition to any other rights and remedies provided by law or under this contract.

CLEAN AIR AND WATER POLLUTION CONTROL REQUIREMENTS

CONTRACTOR s and subcontractor agree:
a. That any facility to be used in the performance of the contract or subcontract or to benefit from the contract is not listed on the Environmental Protection Agency (EPA) List of Violating Facilities;
b. To comply with all the requirements of Section 114 of the Clean Air Act, as amended, 42 U.S.C. 1857 et seq. and Section 308 of the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq. relating to inspection, monitoring, entry, reports, and information, as well as all other requirements specified in Section 114 and Section 308 of the Acts, respectively, and all other regulations and guidelines issued thereunder;
c. That, as a condition for the award of this contract, the CONTRACTOR or subcontractor will notify the awarding official of the receipt of any communication from the EPA indicating that a facility to be used for the performance of or benefit from the contract is under consideration to be listed on the EPA List of Violating Facilities;
d. To include or cause to be included in any construction contract or subcontract which exceeds $ 100,000 the aforementioned criteria and requirements.

DAVIS BACON REQUIREMENTS – 29 CFR PART 5
If applicable

1. **Minimum Wages.**
(i) All laborers and mechanics employed or working upon the site of the work will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by the Secretary of Labor under the Copeland Act (29 CFR Part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalent thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relation CONTRACTOR which may be alleged to exist between the CONTRACTOR and such laborers and mechanics. Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (1)(iv) of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR Part 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: *Provided*, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under (1)(ii) of this section) and the Davis-Bacon poster (WH-1321) shall be posted at

all times by the CONTRACTOR and its subcontractor at the site of the work in a prominent and accessible place where it can easily be seen by the workers.

(ii)(A) The contracting officer shall require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The contracting officer shall approve an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:
(1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and
(2) The classification is utilized in the area by the construction industry; and
(3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.
(B) If the CONTRACTOR and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by the contracting officer to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, D.C. 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.
(C) In the event the CONTRACTOR , the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits where appropriate), the contracting officer shall refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.
(D) The wage rate (including fringe benefits where appropriate) determined pursuant to subparagraphs (1)(ii) (B) or (C) of this paragraph, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(iii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the CONTRACTOR shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(iv) If the CONTRACTOR does not make payments to a trustee or other third person, the CONTRACTOR may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, *Provided*, That the Secretary of Labor has found, upon the written request of the CONTRACTOR , that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the CONTRACTOR to set aside in a separate account assets for the meeting of obligations under the plan or program.

(2) **Withholding.** The FTA or the PRITA shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld from the CONTRACTOR under this contract or any other Federal contract with the same prime CONTRACTOR, or any other Federally-assisted contract subject to David-Bacon prevailing wage requirements, which is held by the same prime CONTRACTOR, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the CONTRACTOR or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the

site of work, all or part of the wages required by the contract, the FTA may, after written notice to the CONTRACTOR sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

(3) **Payrolls and basic records.**

(i) Payrolls and basic records relating thereto shall be maintained by the CONTRACTOR during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the CONTRACTOR shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual costs incurred in providing such benefits. CONTRACTORs employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

(ii)(A) The CONTRACTOR shall submit weekly, for each week in which any contract work is performed, a copy of all payrolls to the applicant, sponsor, or owner, as the case may be, for transmission to the Federal Aviation Administration. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under paragraph 5.5(a)(3)(i) above. This information may be submitted in any form desired. Optional Form WH-347 is available for this purpose and may be purchased from the Superintendent of Documents (Federal Stock Number 029-005-00014-1), U.S. Government Printing Office, Washington, D.C. 20402. The prime CONTRACTOR is responsible for the submission of copies of payrolls by all subcontractor.

(B) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the CONTRACTOR or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(1) That the payroll for the payroll period contains the information required to be maintained under paragraph (3)(i) above and that such information is correct and complete;

(2) That each laborer and mechanic (including each helper, apprentice and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations 29 CFR Part 3;

(3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(C) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph (3)(ii)(B) of this section.

(D) The falsification of any of the above certifications may subject the CONTRACTOR or subcontractor to civil or criminal prosecution under Section 1001 of Title 18 and Section 231 of Title 31 of the United States Code.

(iii) The CONTRACTOR or subcontractor shall make the records required under paragraph (3)(i) of this section available for inspection, copying or transcription by authorized representatives of the Sponsor, the Federal Transit Administration or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the CONTRACTOR or subcontractor fails to submit the required records or to make them available, the Federal agency may, after written notice to the CONTRACTOR , sponsor, applicant or owner, take such action

as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

(4) **Apprentices and Trainees.**

(i) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Bureau of Apprenticeship and Training, or with a State Apprenticeship Agency recognized by the Bureau, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Bureau of Apprenticeship and Training or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the CONTRACTOR as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a CONTRACTOR is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the CONTRACTOR's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Bureau of Apprenticeship and Training, or a State Apprenticeship Agency recognized by the Bureau, withdraws approval of an apprenticeship program, the CONTRACTOR will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(ii) Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the CONTRACTOR

will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.
(iii) Equal Employment Opportunity. The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended and 29 CFR Part 30.

5. **Compliance with Copeland Act Requirements.**
The CONTRACTOR shall comply with the requirements of 29 CFR Part 3, which are incorporated by reference in this contract.

6. **Subcontracts.**
If applicable; the CONTRACTOR or subcontractor shall insert in any subcontracts the clauses contained in 29 CFR Part 5.5(a)(1) through (10) and such other clauses as the Federal Aviation Administration may by appropriate instructions require, and also a clause requiring the subcontractor to include these clauses in any lower tier subcontracts. The prime CONTRACTOR shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 CFR Part 5.5.

7. **Contract Termination: Debarment.**
A breach of the contract clauses in paragraph 1 through 10 of this section may be grounds for termination of the contract, and for debarment as a CONTRACTOR and a subcontractor as provided in 29 CFR 5.12.

8. **Compliance with Davis-Bacon and Related Act Requirements.**
All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR Parts 1, 3, and 5 are herein incorporated by reference in this contract.

9. **Disputes Concerning Labor Standards.**
Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR Parts 5, 6 and 7. Disputes within the meaning of this clause include disputes between the CONTRACTOR (or any of its subcontractor) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

10. **Certification of Eligibility.**
(i) By entering into this contract, the CONTRACTOR certifies that neither it (nor he or she) nor any person or firm who has an interest in the CONTRACTOR 's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).
(ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).
(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

CONTRACT WORK HOURS AND SAFETY STANDARDS ACT REQUIREMENTS 29 CFR PART 5

1. **Overtime Requirements.**
No CONTRACTOR or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic, including watchmen and guards, in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

2. **Violation; Liability for Unpaid Wages; Liquidated Damages.**
In the event of any violation of the clause set forth in paragraph (1) above, the CONTRACTOR and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such CONTRACTOR and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph 1 above, in the sum of $10 for each calendar day on which such

individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph 1 above.

3. **Withholding for Unpaid Wages and Liquidated Damages.**
The Federal Transit Administration or the Sponsor shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any monies payable on account of work performed by the CONTRACTOR or subcontractor under any such contract or any other Federal contract with the same prime CONTRACTOR , or any other Federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime CONTRACTOR , such sums as may be determined to be necessary to satisfy any liabilities of such CONTRACTOR or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph 2 above.

4. **Subcontractor.**
The CONTRACTOR or subcontractor shall insert in any subcontracts the clauses set forth in paragraphs 1 through 4 and also a clause requiring the subcontractor to include these clauses in any lower tier subcontracts. The prime CONTRACTOR shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs 1 through 4 of this section.

5. **Working Conditions.**
No CONTRACTOR or subcontractor may require any laborer or mechanic employed in the performance of any contract to work in surroundings or under working conditions that are unsanitary, hazardous or dangerous to his health or safety as determined under construction safety and health standards (29 CFR Part 1926) issued by the Department of Labor.

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EQUAL EMPLOYMENT OPPORTUNITY - 41 CFR PART 60-1.4(b)

During the performance of this contract, the CONTRACTOR agrees as follows:

1. The CONTRACTOR will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The CONTRACTOR will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following:
Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

2. The CONTRACTOR will, in all solicitations or advertisements for employees placed by or on behalf of the CONTRACTOR, state that all qualified applicants will receive considerations for employment without regard to race, color, religion, sex, or national origin.

3. The CONTRACTOR will send to each labor union or representative of workers with which s/he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the CONTRACTOR's commitments under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

4. The CONTRACTOR will comply with all provisions of Executive Order 11246 of September 24, 1965, as amended, and of the rules, regulations, and relevant orders of the Secretary of Labor.

5. The CONTRACTOR will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

6. In the event of the CONTRACTOR's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated or suspended in whole or in part and the CONTRACTOR may be declared ineligible for further Government contracts or federally assisted

construction contracts in accordance with procedure authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

7. The CONTRACTOR will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The CONTRACTOR will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provision, including sanctions for noncompliance: Provided, however, that in the event a CONTRACTOR becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency the CONTRACTOR may request the United States to enter into such litigation to protect the interests of the United States.

NOTICES TO BE POSTED PER PARAGRAPHS
(1) AND (3) OF THE EEO CLAUSE – 41 CFR PART 60-1.4(b)

Equal Employment Opportunity is the law – Discrimination is Prohibited by the Civil Rights Act of 1964 and by Executive Order No. 11246 Title VII of the Civil Rights Act of 1964 – Administered by:

The Equal Employment Opportunity Commission

Prohibits discrimination because of Race, Color, Religion, Sex, or National Origin by Employers with 25 or more employees, by Labor Organizations with a hiring hall of 25 or more members, by Employment Agencies, and by Joint Labor-Management Committees for Apprenticeship or Training.

Any person who believes he or she has been discriminated against should contact:
The Office of Federal Compliance Programs, U.S. Department of Labor
Washington, D.C. 20210

NOTICE TO PROSPECTIVE FEDERALLY ASSISTED
CONSTRUCTION CONSULTANTS – 41 CFR 60-1.8

1. A Certification of Non-segregated Facilities shall be submitted prior to the award of a federally-assisted construction contract exceeding $10,000 which is not exempt from the provisions of the Equal Opportunity Clause.

2. CONTRACTOR's receiving federally-assisted construction contract awards exceeding $10,000 which are not exempt from the provisions of the Equal Opportunity Clause will be required to provide for the forwarding of the following notice to prospective subcontractor for supplies and construction contracts where the subcontracts exceed $10,000 and are not exempt from the provisions of the Equal Opportunity Clause. NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C. 1001.

NOTICE TO PROSPECTIVE SUBCONTRACTOR OF REQUIREMENTS
FOR CERTIFICATION OF NON-SEGREGATED FACILITIES

1. A Certification of Non-segregated Facilities shall be submitted prior to the award of a subcontract exceeding $10,000, which is not exempt from the provisions of the Equal Opportunity Clause.

2. CONTRACTOR's receiving subcontract awards exceeding $10,000 which are not exempt from the provisions of the Equal Opportunity Clause will be required to provide for the forwarding of this notice to prospective subcontractor for supplies and construction contracts where the subcontracts exceed $10,000 and are not exempt from the provisions of the Equal Opportunity Clause. NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C. 1001.

CERTIFICATION OF NONSEGREGATED FACILITIES

The federally-assisted construction CONTRACTOR certifies that she or he does not maintain or provide, for his employees, any segregated facilities at any of his establishments and that she or he does not permit his employees to perform their services at any location, under his control, where segregated facilities are maintained. The federally-assisted construction CONTRACTOR certifies that she or he will not

maintain or provide, for his employees, segregated facilities at any of his establishments and that she or he will not permit his employees to perform their services at any location under his control where segregated facilities are maintained. The federally-assisted construction CONTRACTOR agrees that a breach of this certification is a violation of the Equal Opportunity Clause in this contract.
As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, restrooms, and washrooms, restaurants and other eating areas, timeclocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directives or are, in fact, segregated on the basis of race, color, religion, or national origin because of habit, local custom, or any other reason. The federally-assisted construction CONTRACTOR agrees that (except where she or he has obtained identical certifications from proposed subcontractor for specific time periods) she or he will obtain identical certifications from proposed subcontractor prior to the award of subcontracts exceeding $10,000 which are not exempt from the provisions of the Equal Opportunity Clause and that she or he will retain such certifications in his files.

STANDARD FEDERAL EQUAL EMPLOYMENT OPPORTUNITY CONSTRUCTION CONTRACT SPECIFICATIONS (41 CFR Part 60-4.3)

1. As used in these specifications:
a. "Covered area" means the geographical area described in the solicitation from which this contract resulted;
b. "Director" means Director, Office of Federal Contract Compliance Programs (OFCCP), U.S. Department of Labor, or any person to whom the Director delegates authority;
c. "Employer identification number" means the Federal social security number used on the Employer's Quarterly Federal Tax Return, U.S. Treasury Department Form 941;
d. "Minority" includes:
(1) Black (all) persons having origins in any of the Black African racial groups not of Hispanic origin);
(2) Hispanic (all persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin regardless of race);
(3) Asian and Pacific Islander (all persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian Subcontinent, or the Pacific Islands); and
(4) American Indian or Alaskan native (all persons having origins in any of the original peoples of North America and maintaining identifiable tribal affiliations through membership and participation or community identification).
2. Whenever the CONTRACTOR, or any subcontractor at any tier, subcontracts a portion of the work involving any construction trade, it shall physically include in each subcontract in excess of $10,000 the provisions of these specifications and the Notice which contains the applicable goals for minority and female participation and which is set forth in the solicitations from which this contract resulted.

3. If the CONTRACTOR is participating (pursuant to 41 CFR 60-4.5) in a Hometown Plan approved by the U.S. Department of Labor in the covered area either individually or through an association, its affirmative action obligations on all work in the Plan area (including goals and timetables) shall be in accordance with that Plan for those trades which have unions participating in the Plan. CONTRACTOR shall be able to demonstrate their participation in and compliance with the provisions of any such Hometown Plan. Each CONTRACTOR or subcontractor participating in an approved plan is individually required to comply with its obligations under the EEO clause and to make a good faith effort to achieve each goal under the Plan in each trade in which it has employees. The overall good faith performance by other CONTRACTOR or subcontractor toward a goal in an approved Plan does not excuse any covered CONTRACTOR or subcontractor's failure to take good faith efforts to achieve the Plan goals and timetables.
4. The CONTRACTOR shall implement the specific affirmative action standards provided in paragraphs 18.7a through 18.7p of these specifications. The goals set forth in the solicitation from which this contract resulted are expressed as percentages of the total hours of employment and training of minority and female utilization the CONTRACTOR should reasonably be able to achieve in each construction trade in which it has employees in the covered area. Covered construction CONTRACTOR's performing construction work in a geographical area where they do not have a

Federal or federally assisted construction contract shall apply the minority and female goals established for the geographical area where the work is being performed. Goals are published periodically in the Federal Register in notice form, and such notices may be obtained from any Office of Federal Contract Compliance Programs office or from Federal procurement contracting officers. The CONTRACTOR is expected to make substantially uniform progress in meeting its goals in each craft during the period specified.

5. Neither the provisions of any collective bargaining agreement nor the failure by a union with whom the CONTRACTOR has a collective bargaining agreement to refer either minorities or women shall excuse the CONTRACTOR 's obligations under these specifications, Executive Order 11246 or the regulations promulgated pursuant thereto.

6. In order for the non-working training hours of apprentices and trainees to be counted in meeting the goals, such apprentices and trainees shall be employed by the CONTRACTOR during the training period and the CONTRACTOR shall have made a commitment to employ the apprentices and trainees at the completion of their training, subject to the availability of employment opportunities. Trainees shall be trained pursuant to training programs approved by the U.S. Department of Labor.

7. The CONTRACTOR shall take specific affirmative actions to ensure equal employment opportunity. The evaluation of the CONTRACTOR's compliance with these specifications shall be based upon its effort to achieve maximum results from its actions. The CONTRACTOR shall document these efforts fully and shall implement affirmative action steps at least as extensive as the following:

a. Ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities at which the CONTRACTOR's employees are assigned to work. The CONTRACTOR, where possible, will assign two or more women to each construction project. The CONTRACTOR shall specifically ensure that all foremen, superintendents, and other onsite supervisory personnel are aware of and carry out the Contractor's obligation to maintain such a working environment, with specific attention to minority or female individuals working at such sites or in such facilities.

b. Establish and maintain a current list of minority and female recruitment sources, provide written notification to minority and female recruitment sources and to community organizations when the CONTRACTOR or its unions have employment opportunities available, and maintain a record of the organizations' responses.

c. Maintain a current file of the names, addresses, and telephone numbers of each minority and female off-the-street applicant and minority or female referral from a union, a recruitment source, or community organization and of what action was taken with respect to each such individual. If such individual was sent to the union hiring hall for referral and was not referred back to the CONTRACTOR by the union or, if referred, not employed by the CONTRACTOR this shall be documented in the file with the reason therefore along with whatever, additional actions the CONTRACTOR may have taken.

d. Provide immediate written notification to the Director when the union or unions with which the CONTRACTOR has a collective bargaining agreement has not referred to the CONTRACTOR a minority person or female sent by the CONTRACTOR, or when the CONTRACTOR has other information that the union referral process has impeded the CONTRACTOR efforts to meet its obligations.

e. Develop on-the-job training opportunities and/or participate in training programs for the area which expressly include minorities and women, including upgrading programs and apprenticeship and trainee programs relevant to the CONTRACTOR's employment needs, especially those programs funded or approved by the Department of Labor. The CONTRACTOR shall provide notice of these programs to the sources compiled under 7b above.

f. Disseminate the CONTRACTOR's EEO policy by providing notice of the policy to unions and training programs and requesting their cooperation in assisting the CONTRACTOR in meeting its EEO obligations; by including it in any policy manual and collective bargaining agreement; by publicizing it in the company newspaper, annual report, etc.; by specific review of the policy with all management personnel and with all minority and female employees at least once a year; and by posting the company EEO policy on bulletin boards accessible to all employees at each location where construction work is performed.

g. Review, at least annually, the company's EEO policy and affirmative action obligations under these specifications with all employees having any responsibility for hiring, assignment, layoff, termination, or other employment decisions including specific review of these items with onsite supervisory personnel such a superintendents, general foremen, etc., prior to the initiation of construction work at any job site. A written record shall be made and maintained identifying the time and place of these meetings, persons attending, subject matter discussed, and disposition of the subject matter.

h. Disseminate the CONTRACTOR's EEO policy externally by including it in any advertising in the news media, specifically including minority and female news media, and providing written notification to and discussing the CONTRACTOR's EEO policy with other CONTRACTOR's and subcontractor with whom the CONTRACTOR does or anticipates doing business.

i. Direct its recruitment efforts, both oral and written, to minority, female, and community organizations, to schools with minority and female students; and to minority and female recruitment and training organizations serving the CONTRACTOR's recruitment area and employment needs. Not later than one month prior to the date for the acceptance of applications for apprenticeship or other training by any recruitment source, the CONTRACTOR shall send written notification to organizations, such as the above, describing the openings, screening procedures, and tests to be used in the selection process.

j. Encourage present minority and female employees to recruit other minority persons and women and, where reasonable provide after school, summer, and vacation employment to minority and female youth both on the site and in other areas of a CONTRACTOR's workforce.

k. Validate all tests and other selection requirements where there is an obligation to do so under 41 CFR Part 60-3.

l. Conduct, at least annually, an inventory and evaluation at least of all minority and female personnel, for promotional opportunities and encourage these employees to seek or to prepare for, through appropriate training, etc., such opportunities.

m. Ensure that seniority practices, job classifications, work assignments, and other personnel practices do not have a discriminatory effect by continually monitoring all personnel and employment related activities to ensure that the EEO policy and the CONTRACTOR's obligations under these specifications are being carried out.

n. Ensure that all facilities and company activities are non-segregated except that separate or single user toilet and necessary changing facilities shall be provided to assure privacy between the sexes.

o. Document and maintain a record of all solicitations of offers for subcontracts from minority and female construction CONTRACTOR's and suppliers, including circulation of solicitations to minority and female CONTRACTOR associations and other business associations.

p. Conduct a review, at least annually, of all supervisor's adherence to and performance under the CONTRACTOR's EEO policies and affirmative action obligations.

8. CONTRACTOR are encouraged to participate in voluntary associations, which assist in fulfilling one or more of their affirmative action obligations (18.7a through 18.7p). The efforts of a CONTRACTOR association, joint CONTRACTOR union, CONTRACTOR community, or other similar groups of which the CONTRACTOR is a member and participant, may be asserted as fulfilling any one or more of its obligations under 18.7a through 18.7p of these specifications provided that the CONTRACTOR actively participates in the group, makes every effort to assure that the group has a positive impact on the employment of minorities and women in the industry, ensures that the concrete benefits of the program are reflected in the CONTRACTOR's minority and female workforce participation, makes a good faith effort to meet its individual goals and timetables, and can provide access to documentation which demonstrates the effectiveness of actions taken on behalf of the CONTRACTOR. The obligation to comply, however, is the CONTRACTOR's and failure of such a group to fulfill an obligation shall not be a defense for the CONTRACTOR's noncompliance.

9. A single goal for minorities and a separate single goal for women have been established. The CONTRACTOR, however, is required to provide equal employment opportunity and to take affirmative action for all minority groups, both male and female, and all women, both minority and non-minority. Consequently, if the particular group is employed in a substantially disparate manner (for example, even though the

CONTRACTOR has achieved its goals for women generally,) the CONTRACTOR may be in violation of the Executive Order if a specific minority group of women is underutilized.

10. The CONTRACTOR shall not use the goals and timetables or affirmative action standards to discriminate against any person because of race, color, religion, sex, or national origin.

11. The CONTRACTOR shall not enter into any subcontract with any person or firm debarred from Government contracts pursuant to Executive Order 11246.

12. The CONTRACTOR shall carry out such sanctions and penalties for violation of these specifications and of the Equal Opportunity Clause, including suspension, termination, and cancellation of existing subcontracts as may be imposed or ordered pursuant to Executive Order 11246, as amended, and its implementing regulations, by the Office of Federal Contract Compliance Programs. Any CONTRACTOR who fails to carry out such sanctions and penalties shall be in violation of these specifications and Executive Order 11246, as amended.

13. The CONTRACTOR, in fulfilling its obligations under these specifications, shall implement specific affirmative action steps, at least as extensive as those standards prescribed in paragraph 7 of these specifications, so as to achieve maximum results from its efforts to ensure equal employment opportunity. If the CONTRACTOR fails to comply with the requirements of the Executive Order, the implementation of regulations, or these specifications, the Director shall proceed in accordance with 41 CFR 60-4.8.

14. The CONTRACTOR shall designate a responsible official to monitor all employment related activity to ensure that the company EEO policy is being carried out, to submit reports relating to the provisions hereof as may be required by the Government, and to keep records. Records shall at least include for each employee, the name, address, telephone number, construction trade, union affiliation if any, employee identification number when assigned, social security number, race, sex, status (e.g., mechanic, apprentice, trainee, helper, or laborer), dates of changes in status, hours worked per week in the indicated trade, rate of pay, and locations at which the work was performed. Records shall be maintained in an easily understandable and retrievable form; however, to the degree that existing records satisfy this requirement, CONTRACTOR shall not be required to maintain separate records.

15. Nothing herein provided shall be construed as a limitation upon the application of other laws which establish different standards of compliance or upon the application of requirements for the hiring of local or other area residents (e.g., those under the Public Works Employment Act of 1977 and the Community Development Block Grant Program).

BUY AMERICA CERTIFICATE

By submitting a bid/proposal under this solicitation, except for those items listed by the offeror below or on a separate and clearly identified attachment to this bid/proposal, the offeror certifies that steel and each manufactured product, is produced in the United states (as defined in the clause Buy American – Steel and Manufactured Products or Buy American – Steel and Manufactured Products for Construction Contracts) and that components of unknown origin are considered to have been produced or manufactured outside the United States.

Offerors may obtain from FTA lists of articles, materials, and supplies excepted form this provision.

BUY AMERICA – STEEL AND MANUFACTURED PRODUCTS

(a) The CONTRACTOR shall deliver only domestic steel and manufactured products under this contract as defined in paragraph (b) below.

(b) The following terms apply to this clause:

- **Steel and manufactured products**. As used in this clause, steel and manufactured products include (1) steel produced in the United States or (2) a manufactured product produced in the United States, if the cost of its components mined, produced or manufactured in the United states exceeds 60 percent of the cost of all its components and final assembly has taken place in the United States.
- **Components.** As used in this clause, components means those articles, materials, and supplies incorporated directly into steel and manufactured products.

- **Cost of components.** This means the costs for production of the components, exclusive of final assembly labor costs.

BUY AMERICA – STEEL AND MANUFACTURED PRODUCTS FOR CONSTRUCTION CONTRACTS

(a) The CONTRACTOR agrees that only domestic steel and manufactured products will be used by the CONTRACTOR, subcontractor, materialmen, and suppliers in the performance of this contract, as defined in (b) below.

(b) The following terms apply to this clause:

- **Steel and manufactured products**. As used in this clause, steel and manufactured products include (1) steel produced in the United States or (2) a manufactured product produced in the United States, if the cost of its components mined, produced or manufactured in the United States exceeds 60 percent of the cost of all its components and final assembly has taken place in the United States.
- **Components.** As used in this clause, components means those articles, materials, and supplies incorporated directly into steel and manufactured products.
- **Cost of components.** This means the costs for production of the components, exclusive of final assembly labor costs.

J. LIMITATIONS OF THE PARTIES RIGHTS: This Agreement does not make CONTRACTOR an agent, officer or employee of PRITA for any purpose whatsoever. The execution of this Agreement shall not generate any rights for the CONTRACTOR, its partners, employees, agents, successors or assigns to which the officers or employees of the Authority of the Commonwealth of Puerto Rico or any agency, instrumentality or municipality of the Commonwealth of Puerto Rico may be entitled pursuant to law or regulations including, but not limited to, vacation and sick leave, workmen's compensation, or any other such benefits. The CONTRACTOR is an independent CONTRACTOR and as such shall be responsible for the payment of all income taxes and individual and employer's withholdings under the applicable tax laws of Puerto Rico or the U.S. Internal Revenue Code. Except as provided in this Agreement, the Authority shall not make any withholdings or deductions for social security, income tax or any other.

K. OTHER CONSIDERATIONS:

i) This Agreement shall be automatically rescinded if the CONSULTANT's plead guilty or is found guilty in any local or federal court for fraud, misappropriation or illegal appropriation of public funds cases, due to Act 2-2018.

ii) The invalidity of any Article, Section, Subsection, Clause or provision of this Agreement shall not affect the validity of the remaining Articles, Sections, Subsections, Clauses or provisions hereof.

iii) The CONSULTANT shall have a period of thirty (30) days for submitting all the documentation required by PRITA. In the event that the CONSULTANT fails to comply with the required information PRITA reserves the right to immediately cancelled the contract and execute all other actions or provisions under this agreement.

iv) THE CONSULTANT shall not provide services under this Agreement if the same is not registered and sent to the Office of the Comptroller of Puerto Rico, in accordance with Article 1 of Act 18-1975, as amended (2 L.P.R.A. § 97 et seq.) and Regulation No. 33 of the Office of the Comptroller of Puerto Rico. The CONSULTANT has the responsibility to request PRITA evidence that the Agreement has been registered and sent to the Office of the Comptroller of Puerto Rico within the applicable period of time.

v) THE CONSULTANT shall comply with the Commonwealth Justice Department Circular Letter No. 2009-01, dated March 9, 2009, which states: "In accordance with Circular Letter No. 2009-01 of the Department of Justice of the Commonwealth of Puerto Rico from March 9, 2009, The CONSULTANT:

- Certifies that has not been convicted or found probable cause for his arrest for any offense against the public finances, faith or public function, against the government exercise, or involving public funds or property, at federal or state system.

- Certifies that neither he or any of its shareholders, partners, officers, principals, employees, subsidiaries or parent companies has been convicted or found probable cause for his arrest for any offense against the public finances, faith or public function, against the government exercise, or involving public funds or property, at federal or state system,
- The CONTRACTOR has the obligation, ongoing basis during the contract period, to report any event that relates to the conduct of any investigation for the commission of an offense against the public finances, faith or public function, against the government exercise, or involving public funds or property, at federal or state system. This obligation must be continuous in nature during all stages of the contract execution,
- Certifies that during the ten years prior the finalization of the contract has not committed any crime against the public finances, faith or public function, against the government exercise, or involving public funds or property, at federal or state system.
- The CONTRACTOR has the obligation to report cases where although there is no determination of probable cause for the arrest, pleaded guilty or charges have been filed, it made expressions or admissions of the commission of a crime.

It is understood between the parties that this Agreement will be resolved, if probable cause for the arrest have been determined against the CONTRACTOR for committing a crime against the public finances, faith or public function, against the government exercise, or involving public funds or property, at federal or state system."

Both parties shall comply with the Office of Budget and Management of the Commonwealth of Puerto Rico Circular Letter Num. 006-2025, dated June 12, 2025, which states:

- Inter-agency services clause: Both contracting parties acknowledge and agree that contracted services may be provided to any entity of the Executive Branch with whom the contracting entity enters into an inter-agency agreement or by direct order of the Office of the Chief of Staff of the Governor of Puerto Rico. These services will be performed under the terms and conditions present in the contract regarding work hours and compensation. For purposes of this clause, the term "Executive Branch entity" includes all agencies of the Government of Puerto Rico, as well as instrumentalities and public corporations and the Governor's Office.
- Termination clause: the Office of the Chief of Staff of the Governor of Puerto Rico shall have the faculty to finalize the contract at any moment.
- Contractual relationships with other government entities: At the time of entering this contract, ENZO does not have an existing contractual relationship with any entity of the Government of Puerto Rico. Furthermore, ENZO acknowledges and accepts that omitting to mention any government entity with which it has an existing contractual relationship may result in the conclusion of this contract as required by the Authority.

The Contractor certifies that it has read and is familiar with the provisions of the Act No. 2-2018, as amended. Specifically, the Contractor acknowledges having read and understood the regulations set forth in Memorandum No. OSG-2025-001 issued by the Governor's Chief of Staff, and certifies and guarantees that, during the term of this Agreement, neither it, nor its shareholders, officers, or employees shall engage in any lobbying activities, whether direct or indirect, as defined in the aforementioned Memorandum No. OSG-2025-001, before PRITA, Department of Transportation and Public Works Public or any of its affiliated entities. The Contractor acknowledges that this is an essential condition of this Agreement, and that any violation of the regulations established in the "Code of Ethics for Contractors, Suppliers, and Applicants for Incentives of the Government of Puerto Rico" under Act No. 2-2018 and/or in Memorandum No. OSG-2025-001 shall constitute sufficient cause for the immediate termination and cancellation of this Agreement.

The CONTRACTOR represents and warrants that the information included in the Contractor Certification Requirement, submitted with the original contract is complete accurate and correct and that any misrepresentation, inaccuracy of 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 contract. The parties certify that the transfer of skills and technical knowledge required by the Certified Fiscal Plan is inapplicable taking in consideration that this is not a professional service contract and/or specialized professional service.

The CONTRACTOR represents and warrants that the CONTRACTOR represents and warrants that the information included in the Contractor Certification Requirement, attached hereto as Exhibit C (FOMB Certification) is complete accurate and correct and that any misrepresentation, inaccuracy of 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 contract."

L. PROPRIETARY RIGHTS: All plans, drawings, specifications (including but not limited to the Plans and Specifications) and such other design and engineering data and know-how, including but not limited to preliminary planning and negotiation documents, working plans and "as built" plans prepared by the CONTRACTOR or its representatives, and provided to Authority ("Proprietary Information") shall be the sole and exclusive property of the CONTRACTOR and Authority shall not use or disclose such Proprietary Information, except as may be necessary for the operation and maintenance of the Vessel, and the Authority shall use its best efforts to maintain in confidence all such Proprietary Information.

M. COMPLIANCE WITH AGREEMENT CONDITIONS: The failure of either party to insist, in any one or more instances, upon performance of any of the terms, covenants and conditions of this Agreement shall not be construed as a waiver or relinquishment of either party's right to the past, present and future performance of any such terms, covenants, or conditions; and each party's obligations in respect of said performance shall continue in full force and effect. The disbursement to be made by the Authority in basis of the dispositions of this Agreement shall be paid from the professional service item of the current account of the Authority.

XL – ENTIRE AGREEMENT: This Agreement constitutes the entire agreement between the parties on the subject matter and may not be changed, modified, discharged or extended, except by written supplement duly executed on behalf of the parties.

IN WITNESS WHEREOF, the Parties hereto have signed this Agreement on the date first stated above.

ENZO GROUP, LLC

By: _____

Brenda E. Valcárcel Nogueras
Operations Manager

Tel.

Email:

PUERTO RICO INTEGRATED TRANSPORTATION AUTHORITY

By: _____

Josué L. Menéndez Agosto
Executive Director

Tel.

Email:

ENZO

June 30, 2026

Hon. Josué L. Menéndez-Agosto
Director
Puerto Rico Integrated Transit Authority (PRITA)

PROPOSAL FOR PROGRAM MANAGEMENT AND ENGINEERING SERVICES
PUERTO RICO INTEGRATED TRANSIT AUTHORITY

Dear Hon. Director Josue Menendez:

We are pleased to submit our Proposal to provide services as a Program Management and Engineering Services for all the project of the Puerto Rico Integrated Transit Authority (PRITA).

ENZO will provide the project management, assist in auctioning and bidding process, engineering services, sites, environmental services, engineering construction facilities appraisal and facility inspections.

We wish to thank you very much for the opportunity of submitting our Technical Proposal for the development of this Projects Program.

Cordially yours,

Hernán E. López Báez, PE MEM
Director

[redacted]
GURABO, PR 00778

1.0 Scope of Work

ENZO will provide services as a Program Management and Engineering Services for all the project of the Puerto Rico Integrated Transit Authority (PRITA). Works will be carried five (5) days a week. Our services will be as follows:

- ENZO will assign a Professional License Engineer with over twenty-nine (29) years of experience in related naval shipyard projects. He will be available seven (7) days a week, during the working hours or as needed.

- ENZO will assign a Program Manager for needs of formal communications, daily assignments and projects coordination. The Program Manager is a certified engineer with over thirty-five (35) years of experience in related transportation projects. She will be available seven (7) days a week, during the working hours or as needed.

- ENZO will assign a Professional License Civil Engineer with over twenty-eight (28) years of experience in related transportation projects. He will be available seven (7) days a week, during the working hours or as needed.

- ENZO will provide the project management services for any project of the PRITA.
- ENZO will provide engineering services on marine transportation services for cargo and passengers within Puerto Rico ports and ferry stations, including Cataño, Old San Juan, Hato Rey, Ceiba (Roosevelts Roads), Vieques and Culebra Facilities.
- Assist in auctioning and bidding process.
- Provide engineering services, sites and facility inspections.
- Prepare environmental documents for local and federal agencies.

- Prepare reports of assessments and engineering construction facilities appraisal

- Prepare and submit daily inspection and observation reports.

- Prepare and submit monthly report digitally signed. These reports will emphasize on pending items that require immediate action. They will provide the necessary information to follow the Project's quality, schedule, safety and budget.

- ENZO will inspect and provide recommendations to the PRITA personnel for safety-health program and procedures, during the daily inspections and operations.

- ENZO will maintain a daily take-off incorporated into the work as a basis for computation of monthly payments and expenses.

- ENZO will conduct all projects meetings and will perform any coordination require by the PRITA personnel or the Director. We will convey all instruction issued by PRITA for the project's executions. We will prepare minutes of all meetings.

- ENZO will evaluate, negotiate and submit recommendations for approval or disapproval of request for change orders and/or extra work, with any sub-contractor or supplier. We will prepare the change order/extra work order format with attached memorandum to be delivered to PRITA personnel or the Director.

- ENZO will evaluate administrative submittals including, but not limited to Baseline Schedule, Schedule of Values, Procurement Schedule, etc. We will provide a written notice to PRITA personnel or the Director about explaining said recommendations.

- ENZO will monitor the all the project's schedule.

- ENZO will conduct punch-list and the necessary re-punch inspections to ascertain that all work and/or deficiencies have been corrected by the PRITA personnel.

2.0 Project Schedule

ENZO will follow the Program Schedule and working hours established by PRITA personnel or the Director. The Program Management and Engineering Services for all the project will start in March 2026. Working days and hours as requested by the PRITA personnel or the Director.

3.0 Insurance Requirements and Government Certifications

ENZO has coverage of General Liability and Automobile Insurance for $2,000,000.00 and a Professional Liability Insurance of $1,000,000.00. Also, we will provide a Worker's Compensation Insurance. We will provide the endorsement to the Puerto Rico Integrated Transit Authority once the Contract is awarded.

4.0 Working Force and Consultants

- AG Environmental PSC
- Estructuras AE CSP
- MG Perez Rosado & Asociados PSC
- Carreras Arquitectos PSC
- RJ Arquitectos PSC
- GMTS-PR PSC
- SN Builders INC.
- East Development Corporation

[redacted]
LOPEZBAEZ@ENGINEER.COM

Fee Proposal

According to the scope of work and requirements, the estimated cost will be as follow:

Our annual cost of services shall not exceed **TWO HUNDRED THOUSAND DOLLARS 00/100 ($200,000.00) PER YEAR**

Team hourly rate for additional services:

Professional	Hourly Rate
Professional Engineer with naval shipyard experience	$150.00
Professional Engineer – Civil and/or Mechanical	$150.00
Program Manager	$140.00
Safety Inspector with naval shipyard experience	$125.00

Our net inspection Fees does not include IVU retention.

This Proposal contains no omissions, exceptions or deviations from the services requested from PRITA. Once again, we wish to thank you very much for the opportunity of submitting our Technical Proposal.

Cordially yours,

Please return a signed copy if accepted

Hernán E. López Báez, PE MEM

Hon. Josué L. Menéndez-Agosto
Director
Puerto Rico Integrated Transit Authority (PRITA)

Autoridad de Transporte Integrado
ATI
Gobierno de Puerto Rico

ANEJO B
CERTIFICACIÓN DE FACTURA

NÚMERO DE CONTRATO	
CONTRATISTA	
NÚMERO DE IDENTIFICACIÓN PATRONAL	
DIRECCIÓN POSTAL	
NÚMERO DE TELÉFONO	
CORREO ELECTRÓNICO	
De ser aplicable; Número de Certificado de Relevo en la Retención en Origen sobre Pagos por Servicios prestado emitido por el Departamento de Hacienda	

De conformidad con lo establecido en la Sección 1062.03 de la Ley Núm. 1-2011, según enmendada, conocida como "Código de Rentas Internas para un Nuevo Puerto Rico" y así como en el contrato suscrito con la Autoridad; se acompaña copia del Certificado de Relevo Total/Parcial de la Retención en el Origen sobre Pagos por Servicios Prestados por Corporaciones, Sociedades y otras Entidades expedido por el Departamento de Hacienda.

En _____, Puerto Rico hoy ____ de _____de 2026.

(firma)_____
(Nombre de la persona)
(Puesto que ocupa con la compañía)

Exhibit C (FOMB Certification)
CONTRACTOR CERTIFICATION REQUIREMENT
FOMB POLICY: REVIEW OF CONTRACTS
APPENDIX C

I, Brenda E. Valcárcel, Principal Officer of ENTO Group, a _____ organized under the laws of the Commonwealth of Puerto Rico, hereinafter referred to as "Contractor" declare:

1. The expected contractor's subcontractor(s) in connection with the proposed contract (Proposal dated _____) is(are) the following:

   Manuel Ochoa / GMTS, MG Electrical / Mildred G. Pérez,
   (Name of individual or firm, including names of principals or owners of the latter)
   AG Environmental / Angel García GA Estructuras
   (Principal terms and conditions of the contractual relation and role of the subcontractor)

   _____
   (Amount of proposed contract payable to each subcontractor)

2. Neither the contractor nor any of its owners[1], 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, whether directly or indirectly, in connection with the procurement, negotiation, execution or performance of the contract, except as follows:

   _____
   (Name of individual or firm, including names of principals or owners of the latter)

   _____
   (Principal terms and conditions of the compensation sharing arrangement and consideration for such benefit)

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.

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

[1] 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.

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.

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

In San Juan, Puerto Rico this July 28, 2026.

ENZO Group

REQUEST OF SERVICES

DATE :

TO: :

FROM :
Executive Director

Please provide an economic propopal for the following service:

_____

_____

_____

_____

Please contact _____, for any clarifications of this request.

DATE :

TO: :
Executive Director

FROM :

Per Contract _____, Consultant submits the following Contractor's Proposal for the Request of Services dated _____, (see attachment).

DETAIL PROPOSAL: SEE ATTCHMENT

TOTAL COST, (IN WORDS): _____

_____

TERM : _____

DATE: _____

SIGNATURE: _____

NAME: _____

Exhibit F: PRITA's Acceptance of Consultant's Proposal of Request of Services and Notice to Proceed

Date

Mr.

NOTICE TO PROCEED
CONTRACT

Dear Mr. _____:

As established by Contract No. _____we issue this Notice to Proceed to commence performance of the services: _____ _____ as detailed in the Consultant's proposal dated _____.

Cordially yours,

Executive Director