

Schedule 19
EPC Specifications Guidelines
(See attached.)

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**SCHEDULE 19
EPC SPECIFICATIONS GUIDELINES**

For avoidance of doubt, all capitalized terms used in this Schedule 19 and not otherwise defined herein are used as defined in this Agreement.

Section 1. Background

1.1 These EPC (Engineering Procurement Construction) specifications guidelines are created to standardize a template for discussions between the Authority and the Concessionaire with respect to, and for agreements with contractors relating to, Major Projects (as defined herein), with the objective of accelerating such discussions and agreement negotiations and achieving consistency in the development of such Major Projects by either the Concessionaire or the Authority, as applicable. This template is designed to encourage the use of a single contractor for the development of the scope of work for a Major Project, which includes design, procurement, construction, operations, and maintenance of any such Major Project. "Major Project" means any new construction project permitted or required by this Agreement, which project will be constructed on Toll Road Land and is anticipated to have a contract value or aggregate project cost in excess of \$20 million dollars (*provided* that Accelerated Safety Upgrades shall not constitute Major Projects).

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Section 2. Template Agreement Provisions

Provisions should include, unless inapplicable:

- **Agreement parties**-list and description of who is entering in the contract.
- **Preamble** - description of the project.
- **Project Objectives** – identify the key objective in the development of the project.
- **Table of Contents**
- **Definitions**
- **General Rules of Interpretation**
- **Contract Documents and Precedence** – list of all contractual documentation and which is the order of precedence in case of discrepancies.
- **Terms and Schedule** – describe the basic terms of completion and the proposed schedule of the project development. This section should clarify the duties and responsibilities of the parties during each of the Engineering and Design, Procurement and Construction phases of the project, including information regarding such responsibilities as the relate to the following in such phases, if applicable:
 - Engineering and Design
 - Basic Engineering
 - Detailed Engineering
 - Project Scope Development

- Design
- Planning
- Cost Estimation
- Value Engineering
- Permitting
- Civil, Mechanical, Electrical and Site Engineering
- Procurement
 - Logistics and Transportation
 - Purchasing
 - Procurement
 - Invoicing
 - Receiving
 - Source Selection
 - Bid Process
- Construction
 - Civil, Electrical, Mechanical, Plumbing execution of work.
 - Safety Management
 - Environmental Management
 - Project Controls & Monitoring
 - Fixed Contract Price
 - Fixed Completion Date
 - Single Point of Responsibility
 - Document Control
 - Construction Management
 - Performance Specification
 - Commissioning
- **Rights and Obligations of Parties**
 - Concessionaire / Authority
 - Contractor
 - If applicable, any other parties to the contract or anticipated material rights and obligations of other third-parties that are not signatories to the contract itself.
- **Warranty(ies)**
- **Contract Price** – describing the type of contract and the cost segregation elements, including the following, if applicable:
 - Advance Payments
 - Regular payments
 - Price Adjustments
 - Restrictions
 - Final Payment
 - Discharge
- **Payment or Other Security**
- **Notices and Communications** – describing the way information is

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to be conveyed among the parties and to whom and where it is required to be directed.

- **Bid Form / Cost Sheet** – to include the cost segregation sheets used in the bid process or at least the format used for evaluation.
- **Insurances** –listing limits, coverage and other requirements, including the following, as applicable:
 - Notices
 - Evidence of Coverage
 - Risk of Loss and Damage
 - Types of Insurance and Process
 - Indemnification – describe what is applicable.
 - General requirements
 - Remedies
 - Named and additional insureds
 - Waiver of subrogation
 - Workmen compensation
- **Change Orders**
 - Procedure – describing submission, evaluation, and approval procedures.
 - Payment
 - Restrictions
 - Property Rights
 - Inspections
 - Testing, Compliance, Acceptance and Commissioning
- **Limitation of Liability of Party(ies)**
- **Indemnity**
- **Liquidated Damages**
- **Warranties and guarantees** – indicating specifications.
- **Default and Termination** – include description of process and alternatives, including the following, as applicable:
 - Force Majeure
 - Suspension of Rights
 - Termination
- **Disputes and Arbitration** – description of process and alternatives.
- **Operations and Maintenance** – description of parties responsible and duties.
- **Applicable Laws and Regulations**
 - Government of Puerto Rico
 - Federal government
 - PRTHA regulations and procedures
- **Other Provisions**
 - Changes in applicable laws
 - Confidentiality
 - Assignment
 - Amendments
 - Representations and warranties
 - Licenses

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- Miscellaneous
- **Contractual Schedules**
 - Drawings
 - Specifications
 - Standards
 - Procurement / Purchasing Plan
 - Safety Plan
 - Environmental Requirements and Conditions
 - Contract Administration Plan
 - QA/QC Plan
 - Commissioning
 - Operations and Maintenance Requirements

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