AMENDMENT NO. 5

PROJECT AGREEMENT

between

The VIRGIN ISLANDS HOUSING FINANCE AUTHORITY

and

the VIRGIN ISLANDS WATER AND POWER AUTHORITY

This Amendment No. 5 ("Amendment") is made this 31st day of December, 2020 by and between the Virgin Islands Housing Finance Authority ("VIHFA") and the Virgin Islands Water and Power Authority ("VIWAPA").

WHEREAS, on August 8, 2019, the Virgin Islands Housing Finance Authority ("VIHFA") and the Virgin Islands Water and Power Authority ("VIWAPA") entered into a project agreement ("Agreement") Project Agreement No.: I - E P S E I - W A P A - H A R L E Y  P L A N T U N I T S S T T ) for the Community Development Block Grant Disaster Recovery ("CDBG-DR") program; and

WHEREAS, the VIWAPA desires to amend the project scope to include the following items: (a) demolition services of a foundation and fuel tank; (b) construction of a firewater pump house; and (c) system study to perform model development and validation of the existing system.

WHEREAS, the VIWAPA also desires to hire a third party project management firm to provide additional project oversight and supervision to help manage the installation of the new RICE units and BESS; and

WHEREAS, the VIWAPA also desires to utilize CDBG-DR funds for internal project management to provide activity delivery oversight and supervision to manage the installation of the new RICE units and BESS; and

WHEREAS, the estimated cost for the additional scope of work is approximately Nine Million Nine Thousand Two Hundred One Dollars and Twenty Cents ($9,009,201.20).

NOW THEREFORE, in consideration of the mutual covenants herein contained and intending to be legally bound by this Agreement, the parties hereto do covenant and agree as follows:

(a) **Section 1**: Section 1 of the Project Agreement, "Scope of Services", is amended to add the following items, which will be collectively known as Additional Phases: 3, 4, 5, 6:

- Phase 3 - Demolition and Construction
  - 1) The demolition work includes the site clearing and the removal of former Israel Desalination Equipment (IDE) Unit No. 6 concrete
Section 2: Section 2 of the Project Agreement, "Project Summary", is amended to add the following:

b. Phase 4 - System Study

This is phase I of the system study that the selected contractor will validate power system models to be used in phase II of the system study. Validated models are used to ensure that all analysis on the power system are executed with little or no assumptions. The study is needed to ensure that the use cases for the BESS system are properly selected for optimum operation on the grid. Phase II of this study is captured in the EPC's scope of work. The vendor will be onsite to capture real-time data that will be used to run simulations to forecast system responses. The information gathered will be used to facilitate the successful interconnection of the RICE units and BESS to the grid thus helping to ensure grid stability, reliability and efficiency. The RFP for this activity has not be developed but will be submitted for review and approval by HFA prior to issuance of a notice to proceed.

c. Phase 5 - Third Party Project Management

The scope of work will include the services of a full-time project manager to assist with the following, but not limited to: development of a Project Management Plan, scheduling, daily/weekly/monthly reports, development and tracking of KPI's, fiscal administration, and assist with engineering / design review of project submittals. Additionally, a safety officer and a QA/QC engineer will be supplied on a part time basis to conduct job audits in safety, quality assurance and quality control measure as required and coordinated by the project manager to ensure full compliance with all codes and regulations. Lastly engineering reviews of design and field engineering will be supplied/supported by the firm as required with a three hundred (300) hour allowance for review by a Senior Engineer included in bids submitted for this proposal. The allowance can be utilized to review designs in the disciplines of civil engineering, structural engineering, mechanical engineering, electrical engineering and instrumentation, whichever the Authority deems necessary at the time. The project management firm will be responsible for ensuring the EPC construction contractor complies with all specifications/codes and all approved design drawings as submitted with their Request for Proposal (RFP) and complete the project on schedule and within budget. The RFP for this activity has not be developed but will be submitted for review and approval by HFA prior to issuance of a notice to proceed.

d. Phase 6 - VIWAPA Internal Project Management

Phase 6 will provide complete project management of the installation of the new RICE units and BESS by VIWAPA. VIWAPA's support staff will also assist the project manager with needed SME support for different aspects of this project.

foundations and adjacent concrete site areas, and the demolition of an existing damaged Tank #10 fuel oil tank.

2) Firewater Pump House Construction - The final construction of building and enclosure and complete/commissioning of the electric fire pump.
The above project elements are needed to support the installation of the Randolph Harley Power Plant ("RHPP") New Generation project. The system study will support effective interconnection of the units to the electric grid thus helping to maintain grid stability. Third party project management will provide additional project supervision and technical support to facilitate the successful completion of the project.

Section 3: Notices to Proceed (NTP) will be issued at the following project progression stages:

Phase 3 – Demolition and Construction

NTP-1: will allow for the VIWAPA to begin procurement activities for the selection of a firm/firms to commence the site clearing and demolition services and construction of the fire house.

NTP-2: Upon selection of the construction firm, VIWAPA will be required to comply with the requirements of 2 CFR 200.323 Contract Cost and Price and provide the Cost Comparison to VIHFA for review and approval. Upon approval, NTP-2 will be provided by VIHFA to VIWAPA to begin construction activities for the demolition and construction activities for the owner obligations.

Phase 4 – System Study

NTP-1: will allow for the VIWAPA to begin procurement activities for the selection of a firm/firms to commence the system study.

NTP-2: Upon selection of the system study firm, VIWAPA will be required to comply with the requirements of 2 CFR 200.323 Contract Cost and Price and provide the Cost/Price analysis to VIHFA for review and approval. Upon approval, NTP-2 will be provided by VIHFA to VIWAPA to enter into contract with the selected firm to begin system study activities.

Phase 5 Third-Party Project Management Firm

NTP-1: This will allow VIWAPA to begin procurement activities for the selection of a firm/firms to commence the Third-Party Project Management activities.

NTP-2: Upon selection of the Third-Party Management Firm, VIWAPA will be required to comply with the requirements of 2 CFR 200.323 Contract Cost and Price and provide the Cost/Price analysis to VIHFA for review and approval. Upon approval, NTP-2 will be provided by VIHFA to VIWAPA to enter into contract with the Third-Party Management Firm to begin project management activities.

Phase 6 – VIWAPA Internal Project Management Cost
- NTP-1: Following the formal request by VIWAPA to access funds for Internal Project Management Cost, VIWAPA will be required submit a cost allocation plan and complete a cost reasonable analysis or have an established indirect cost rate to access indirect cost to the CDBG-DR grant. Upon submission and approval, VIHFA will issue NTP-1 to allow VIWAPA access to the CDBG-DR funds for internal management cost.

Some of the above activities are not mutually exclusive and thus do not prevent the issuance of the above-mentioned NTP(s) simultaneously for different phases.

Section 4:

Section 5 of the Project Agreement, “Project Budget”, is amended to reflect the following:

(a) The Estimated Project Budget Breakdown for this Amendment 4 is:

| Demo: Tank & IDE Foundation, Pump Construction |   |
| System Study |   |
| Third Party Project Management |   |
| Internal Project Management - Activity Delivery Cost |   |
| Total | $9,009,201.20 |

(b) The total allocated budget for Tranche I is increased to $95,903,330 to reflect the amended allocation in the Action Plan, Version 3, as approved by HUD on November 19, 2020.

Section 5:

Section II Disbursement Schedule outlining the projected disbursements for the demolition and pump construction is added to this Amendment as Exhibit I.

Section 6:

Section 7 of the Project Agreement, “Performance Measures and Project Milestones”, is amended to include the Additional Phases milestones as follows:

Phase 3: Demo Timeline:

i. Selection of Contractor completed by February 22, 2021
ii. Execution of Contract between both Parties by February 28, 2021
iii. Mobilization of Contractor to Site by March 10, 2021
iv. Demolition and Construction activities completed by August 31, 2021
v. Functional Testing activities and commissioning completed by September 30, 2021
vi. Final Financial Reconciliation and Contract Closeout activities completed by November 30, 2021
Phase 4: BESS Timeline:

i. Selection of Contractor completed by February 15, 2021  
ii. Execution of Contract between both Parties by March 30, 2021  
iii. Mobilization of Contractor to Site by April 20, 2021  
iv. Model Validation Completion May 31, 2021  
v. Submittal of Final System Model June 30, 2021

Phase 5: Project Timeline: Third Party Management

i. Selection of Contractor  
ii. Contract Execution  
iii. Mobilize PM to site  
iv. Project Kickoff Meeting  
v. Design Review  
vi. Initial QA/QC and Safety Site Visit  
vii. Draft Project Management Plan  
viii. Project Construction Management  
ix. Attend Project Turnkey Contract Review Meeting  
x. Review Commissioning Plan  
xii. Review Performance Test Results  
xiii. Submit Final Reports

The Project Timeline for Phase 6 is subject to the requirements outlined in Section 3 above.

VIWAPA will submit milestones and other requirements for Phases 4, 5 and 6 to VIHFA within 90 days from execution of the amended agreement.

Section 7: This Amendment may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.
Section 8: All other requirement and provisions of the Project Agreement between the VIHFA and VIWAPA shall remain in full force and effect.

WITNESS:  
Niel Vanterpool  
(Print Name)  
DATE: 12/31/2020

VIRGIN ISLANDS WATER & POWER AUTHORITY  
Lawrence J. Kupfer, Executive Director  
DATE: 12/31/2020

WITNESS:  
Clinton Hedrington Jr.  
(Print Name)  
DATE: 12/31/2020
Reviewed for Legal Sufficiency:
Denise Rhymer, Esq.

Dated: 31 day of December, 2020

WITNESS:

David G. Martin
(Print Name)

DATE: 12/31/2020

WITNESS:

Claudia Parish
(Print Name)

DATE: 12/31/2020

VIRGIN ISLANDS HOUSING
FINANCE AUTHORITY
Daryl Griffith, Executive Director

DATE: 12/31/2020