



VIA EMAIL

July 30, 2019

Mr. Fermín E. Fontanés Gómez
Chief Legal Counsel
Puerto Rico Public Private Partnerships Authority
Phone: (787) 722-2525 Ext. 15330
Email: Fermin.Fontanes@p3.pr.gov

RE: Puerto Rico Electric Power Authority Transmission and Distribution System (PREPA T&D)
Potential Conflicts of Interest

Dear Mr. Fontanés:

The purpose of this correspondence is to respond to your letter dated July 26, 2019 regarding "IEM Potential Conflict of Interest Notification." Specifically, the Puerto Rico Public Private Partnerships Authority (the "Authority") requested that IEM:

1. Indicate to the Authority the names of the IEM representatives who will be working on the PREPA T&D RFP project and the names of the IEM representatives who will be working under the HMA RFP; and
2. Provide a detailed description of the firewall protocols IEM will have in place.

IEM Representatives Working Under the PREPA Project and the HMA Project

If IEM, or the Consortium that includes IEM, is awarded a contract under the PREPA T&D procurement, we will proactively ensure that there is to be no overlap between individuals assigned to the HMA Project and those assigned to work on the PREPA T&D Project. All individuals assigned to the PREPA T&D Project would be firewalled off from the HMA Project.

PREPA Project

IEM has not yet identified individuals who will be assigned to the PREPA T&D Project. Because the proposal for that project is still under development and the implementation of that contract, if awarded to the Consortium is not likely until 2020, it may be some time before those individuals are identified by name. IEM will provide to the P3 Authority and COR3 a list of staff assigned to the PREPA T&D Project as soon as it is available and will provide regular updates. Once the PREPA T&D Project commences, IEM will not assign any personnel who are working on the HMA project to the PREPA T&D Project.

HMA Project

The list of IEM personnel and representatives currently assigned to work under the HMA Project is attached as **Attachment A** hereto. IEM continues to assess its staff deployments across disaster recovery projects and will continue to redeploy staff and hire staff for the HMA Project as it ramps up. IEM will provide any additional names of staff assigned to the HMA Project to the P3 Authority and COR3, as appropriate.

IEM HMA Contract Firewall Protocols

Of course, IEM's goal is to avoid OCI's whenever possible. Close communication between IEM and all stakeholders is essential to ensure that a conflict-free environment exists. However, when an OCI is unavoidable, it must be documented and a strategy developed to neutralize or mitigate the OCI. IEM utilizes a broad range of best practices for all aspects of its compliance programs. With regard to OCIs, this includes identification, avoidance and mitigation techniques. Depending on the specific circumstances and potential OCIs that may arise, we would develop a tailored and comprehensive plan.

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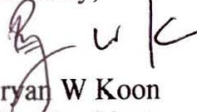
The IEM Team, including its subcontractors for work under the HMA contract, must undergo initial and ongoing project training (including ethics training), self-certify potential and actual conflict of interest, and adhere to strict communication restrictions regarding internal project information as well as internal COR3 internal operations not available to the public. At IEM, we take client confidentiality very seriously and we routinely require our employees, including our subcontractors, to not divulge project information or sensitive client information. With respect to potential or actual individual or organizational conflicts of interest, our self-certification processes have been used for some of the largest disaster recovery projects in the U.S. Below we share **IEM's Firewall Protocols**:

1. **Project Policies and Procedures and Training.** Our first step once awarded the contract for the HMA Project is to establish our project policies and procedures which will include not only our management processes for the team, but also a module on ethical behavior. This module will address among other topics individual and organizational conflicts of interest. We will provide practical examples in this module of both actual and appearances of conflicts of interest. Accordingly, as part of our project launch orientation as well as employee onboarding training, we will train and test employee comprehension relevant to ethics behavior among other project topics.
2. **Self-Certification.** The IEM Team will require every project employee to complete a Self-Certification form. This form addresses potential and actual conflicts of interest. It also requires project employees to sign the certification that they received conflict of interest training discussed in (1) above. Additionally, it requires employees to certify that they will not divulge HMA Project information or any sensitive COR3 information. This is the same type of project self-certification form used on our delivery of disaster recovery services to the Louisiana Governor's Office of Homeland Security and Emergency Preparedness. Upon completion of their work on a project, employees will also complete an Exit Certification.
3. **Inter-Team Work Assignment and Communication.** In the event that IEM is awarded contracts for the HMA Project and the PREPA T&D Project, for which IEM is a member of the Consortium, IEM will undertake the following steps:
 - a. IEM will maintain two separate teams. In other words, IEM will not allow IEM or subcontractor employees to "float" between these two projects.
 - b. Each team will have its own identified organizational structures. We commit to ensuring that these teams do not share any internal project information with one another, much less information that could give rise to both conflicts of interest and advantages related to future procurement activities. The PREPA T&D Project employees working for the consortium will also be required to complete a similar conflict of interest self-certification form as described in (2) above. This team's employees will also undergo project orientation and onboarding similar to that described in (1) above.
 - c. IEM also employs software tools and systems to serve as an internal control for these two teams and to mitigate against conflicts. For example, IEM uses Defense Contract Audit Agency (DCAA) approved DELTEK/COSTPOINT software that employees use to report their project time and effort using specific accounting codes. IEM's accounting staff will ensure that the accounting code for each one of these projects is only assigned to authorized employees. The software will not allow an employee to charge their time and effort, or even allow an accounting code to be visible, if IEM accounting did not assign that code to an employee in the system. IEM uses Microsoft Sharepoint and Teams to manage projects and these systems can only be accessed if an administrator assigned access rights to employees. These two teams and the assigned employees will only be able to access their own project Sharepoint and Team site.

Moreover, as requested by the Authority, if our Consortium is awarded a contract under the PREPA T&D procurement, IEM will help ensure that COR3 directly handles work related to the pass-through FEMA-funded 404 Hazard Mitigation Grant Program, Pre-Disaster Mitigation, and Flood Mitigation Assistance grants.

IEM is committed to unyielding integrity and high standards of business conduct. The company expects its suppliers, contractors, and employees to fully comply with all ethics and procurement laws. This commitment is reflected in our approach described above to identifying, neutralizing, and mitigating potential OCIs. To the extent that the Authority has any additional questions or would like to further discuss IEM's mitigation strategy, please do not hesitate to contact me directly at Bryan.Koon@iem.com or at (850) 519-7966.

Sincerely,


Bryan W Koon
Vice President
International Homeland Security and
Emergency Management

Attachment

cc: Central Recovery and Reconstruction Office of Puerto Rico (COR3)
Quanta Services, Inc.
ATCO Ltd.

Attachment A

IEM Personnel Working Under the HMA RFP Project

Bergeron, Tonia
Berrios Collazo, Cristina
Bethely, Shimetra
Capetillo, Judith
Carol Rolon Merced, Elizabeth
Carrubba, Louise
Case, Bradford
Caubarraux, Andrew
Chambers, Michael
Coen, Michael
Covell, John
Cuadrado De La Rosa, Javier
Cullmann, Elizabeth
Diaz, Lesli
Faison, Martin
Fernandez-Mariani, Patricia
Gonzalez-Rivera, Velma
Gordon, Ellen
Griffith, Don
Hascall, Sheila
Haun, David
Hayes, Laneta
Johnson, Ed
Johnson, Garland
Keaton, Timothy
Koons, Franki
Lemaitre, Rafael
Leslie, Robert
Linch, Catharine
Lord, Richard
Love, Susan
Lozano, Diana

Luke, David
Lyons, Angelia
Manfredi, Antonio
Mariani, Patricia
Maza-Fleites, Margarita
McKenzie, Keith
Mitchell, Jay
Montz, Christian
Nieves Torres, Deborah
Pagan, Christy
Peake, Kimberly
Pitre, Gail
Ramchandani, Nisha
Randall, Earl
Reyes-Diaz, Jose
Rivera, Karen
Rivera, Monica
Robinson, Kristin
Rodriguez, Carol
Rodriguez, Dagmar (Ms.)
Rodriguez, Joviniel
Rogers, Miranda
Rushing, Shelby
Spaulding, Barbara
Story, Dennis
Taylor, Qiana
Touvell, Joe
Vicens, Maria
Williams, Patricia
Williams, Tessina
Zimmerman, Beth