

**THE PORT AUTHORITY OF NY & NJ**  
**PROCUREMENT DEPARTMENT**  
**TWO MONTGOMERY STREET, 3<sup>RD</sup> FLOOR**  
**JERSEY CITY, NJ 07302**

**Date: March 11, 2015**

ADDENDUM #1

To prospective Proposers to the solicitation for Expert Professional Services for the Development and Implementation of a Continuous Improvement and Business Transformation Program for the Port Authority; Solicitation 41542

Proposals originally due on March 17, 2015, no later than 2:00 PM

Proposals now due on March 24, 2015, no later than 2:00 PM

CHANGES:

1. Page 2, Section 2.B: Revise the first sentence of this subsection as follows: "Your Response must be delivered in sufficient time so that the Authority receives it **no later than 2:00 p.m. on March 24, 2015.**"
2. Page 2, Section 3.D.2, Cost of Services:
  - Replace the first paragraph in its entirety with the following: "Provide the proposed hourly rates for all personnel (including any proposed subcontractors) who will be assigned to perform the requested services, in the following format:"
  - Replace the first paragraph under the first table of this section with the following: "Include a table in the following format that indicates the projected cost of each Task in the SOW:"

QUESTIONS AND ANSWERS

The following information is made available in response to questions submitted by prospective Proposers to the Port Authority of New York and New Jersey's (the "Port Authority") solicitation for Expert Professional Services for the Development and Implementation of a Continuous Improvement and Business Transformation Program for the Port Authority. It addresses only those questions that the Port Authority has deemed to require additional information and/or clarification. The fact that information has not been supplied with respect to any questions asked by a Proposer does not mean or imply anything (nor should it be deemed to have any meaning, construction or implication) with respect to the terms and provisions of the solicitation, which will be construed without reference to such questions.

The Port Authority makes no representations, warranties or guarantees that the information contained herein is accurate, complete or timely or that such information accurately represents the conditions that would be encountered during the performance of the Contract. The furnishing of such information by the Port Authority shall not create or be deemed to create any obligation or liability upon it for any reason whatsoever and each Proposer, by submitting its proposal, expressly agrees that it has not relied upon the foregoing information, and that it shall not hold the Port Authority liable or responsible therefor in any manner whatsoever. Accordingly, nothing contained herein and no representation, statement or promise, of the Port Authority, its Commissioners, officers, agents, representatives, or employees, orally or in writing, shall impair or limit the effect of the warranties of the Proposer required by this solicitation and any resulting contract and the Proposer agrees that it shall not hold the Port Authority liable or responsible therefor in any manner whatsoever.

Q	Section	Pg.	Topic	Question	Response
1	Letter	1	Contracts	Does the vendor need to have an active contract in place for similar work that they are executing on? Or can it be similar work that was executed in the past?	The Proposer must have an <b>active</b> agreement with another governmental entity, for performance of services similar to those presented in Attachment A of the solicitation. Examples of governmental agencies include but are not limited to the States of New York and New Jersey, New York City, the U.S. General Services Administration (GSA), as well as other State and Public municipalities in the United States.
2	Section 3	3	Governance	Describe the project governance structure.	The Port Authority's Office of Continuous Improvement, which reports to the executive management team at the Port Authority, will manage the project.
3	Section 3	3	Governance	What is the governance structure for the management of contingency based deals?	See the answer to question 2, above.
4	Section 3	3	Governance	Will contingency payments require board approval?	The answer to this question depends on the specific compensation-based arrangements negotiated with the selected proposer (i.e. Consultant).
5	Section 3	3	Cost Proposal	On what basis (i.e. specific initiatives) does the Port Authority want the proposer to provide the "proposed savings/revenue generation targets and contingency based fees" requested in 1.B of page3 of the RFP?	Proposals should be based on information provided in the solicitation and on benchmarks and experience the proposer may have from work on similar engagements.
6	Attach A; Section 3	23	Objectives	Would the Port Authority consider an approach that proposes on only an initial assessment phase to align key stakeholders on the	The Port Authority will consider all approaches, but prefers a comprehensive approach that responds to all aspects of the scope of work (SOW) described in

				critical value-based levers of the project?	the solicitation.
7	Section H	4	Technical Plan and Approach	What are the technical and cost percentages in scoring vendor proposals?	The Port Authority does not disclose this information.
8	Section H	4	Technical Plan and Approach	Can you please describe how long Navigant Consulting, Inc. has been onboard and the types of services/recommendations they provided based on page 4; section H?	The report from Navigant Consulting, Inc. can be found at: <a href="http://www.panynj.gov/corporate-information/pdf/navigant-phase-2-and-rothschild-reports.pdf">http://www.panynj.gov/corporate-information/pdf/navigant-phase-2-and-rothschild-reports.pdf</a> .
9	Section 3	3	Cost Proposal	It sounds like you would be open to a hybrid approach – a combination of value based and firm fixed price proposal. Is that the correct assumption to make?	The Port Authority will consider all proposed compensation approaches.
10	Standard Agreement	7	Compensation	In the past, the Port Authority has requested that a vendor's costs be shared including salaries and benefits during the negotiation of rates. It appears that this award will require a similar disclosure. Is that the correct assumption to make?	The Port Authority will identify the necessary information to the proposer(s) selected for negotiation.
11	General			Are there documents related to the SOW that describe the existing change management, employee engagement programs as well as the initiatives that result in cost savings, revenue generation and other business benefits that could be reviewed to help craft a good proposal for this solicitation?	The requested information is not available at this time.
12	Response Format	2	Page Count	Please confirm that the Executive Summary, M/WBE Plan, List of Affiliates and Conflict of Interest Sections are excluded from the 30-page limit.	The sections listed in the question are excluded from the 30-page limit.
13	Response Format	2	Page Count	Could the details supporting the Firm Experience Section be included in an Appendix, and excluded from the 30-page limit?	Yes.
14	3.A.2 and 3.F (Submission Requirements)	3	Cost of Services and Firm Experience	An MS Excel file format is requested for supplying the rate table, cost per task and list of clients. Is this something that the Authority would like in soft copy, or hard copy only per	The requirement for information in an MS Excel file is hereby deleted; see Change 1, above.  Firms shall submit their entire proposals on paper,

				Section 2?	according to the instructions noted in Sections 2 and 3 of the solicitation. Proposers are reminded to submit the entire cost proposal in a separate sealed envelope entitled "Cost Proposal." The Cost Proposal shall be submitted <b>only</b> in such envelope and nowhere else in the overall proposal.
15	3.F (Submission Requirements)	3	Firm Experience	Is there a minimum or maximum number of expected references?	Proposers shall include as many references as possible to convey their experience in providing the type of services described in the SOW.
16	3.J (Submission Requirements) Standard Agreement, Item 23	5 11- 12	MBE/WBE Requirement	If a team member is certified as both MBE and WBE, can that one firm fulfill the goals or does it need to be two separate firms? If it can be one firm, would the goal be 12% or 12% plus 5%?	The Port Authority will review the proposed M/WBE plans and provide instructions and guidance to the proposers accordingly.
17	SOW, Section 2	22	Targets	Has the Authority set any savings targets to be achieved in 2015 and 2016?	The requested information is not available at this time.
18	SOW, Section 2	22	Existing Performance Improvement Initiatives	Can the Authority provide a list of existing initiatives underway?	The requested information is not available at this time.
19	SOW, Section 3	25	Task 6: Organizational Structure	Are there existing entities or an organizational structure in place for continuous improvement or that are expected to be leveraged for the program?	See answer to question 2, above.
20	26, Standard Agreement	15	Insurance	What is meant by "Not less than \$25,000,000 combined single limit per accident <u>on airside</u> "?	Insurance coverage in the amount of \$25 Million applies only if the Consultant is on airside of an airport, consisting of all secure areas of an airport, including but not limited to the runways and taxiways, which are surrounded by the FAA fence. The Port Authority does not expect the Consultant to visit the aforementioned areas.  However, the Port Authority does expect the Consultant to carry a minimum of \$2 Million in insurance coverage for all other work conducted on the premises of the Port Authority property.

This communication should be initialed by you and annexed to your proposal upon submission. In case any Proposer fails to conform to these instructions, its proposal will nevertheless be construed as though this communication had been so physically annexed and initialed.

THE PORT AUTHORITY OF NEW YORK & NEW JERSEY

CARMEN REIN  
GENERAL MANAGER

PROPOSER'S NAME: \_\_\_\_\_

INITIALED: \_\_\_\_\_

DATE: \_\_\_\_\_

QUESTIONS CONCERNING THIS ADDENDUM MAY BE ADDRESSED TO JAMES SUMMERVILLE: [JSUMMERVILLE@PANYNJ.GOV](mailto:JSUMMERVILLE@PANYNJ.GOV), 201-395-3454