THE PORT AUTHORITY OF NY & NJ

PROCUREMENT DEPARTMENT
2 MONTGOMERY STREET, 3RD FL.
JERSEY CITY, NJ 07302

INVITATION FOR BID/PUBLIC BID OPENING
BID INFORMATION

ISSUED DATE: June 16th, 2014

TITLE: WTC REDEVELOPMENT UTILITY METERING INTEGRATION

BID NO.: 38310

SUBMIT SEALED BIDS BEFORE THE DUE DATE AND TIME TO THE ABOVE ADDRESS WHERE THEY WILL BE PUBLICLY OPENED AND READ

SITE INSPECTION: June 23rd, 2014 TIME: 10:00 AM

BID DUE DATE: July 7th, 2014 TIME: 11:00 AM

BUYER NAME: Joann Spirito
PHONE NO.: 212 435 5640
FAX NO.: 212 435 5116
EMAIL: jspirito@panynj.gov

BIDDER INFORMATION
(TO BE COMPLETED BY THE BIDDER)
(PLEASE PRINT)

_____
(NAME OF BIDDING ENTITY)

_____
(ADDRESS)

_____
(CITY, STATE AND ZIP CODE)

_____
(REPRESENTATIVE TO CONTACT-NAME & TITLE (TELEPHONE)

_____
(FEDERAL TAX I.D. NO.) (FAX NO.)

_____ BUSINESS CORPORATION _____PARTNERSHIP _____INDIVIDUAL

_____ OTHER (SPECIFY): _____

INVITATION FOR BID

- COVER PAGE: BID AND BIDDER INFORMATION
- PART I – STANDARD INFORMATION FOR BIDDERS
- PART II – CONTRACT SPECIFIC INFORMATION FOR BIDDERS
- PART III – CONTRACT TERMS AND CONDITIONS
  (Inclusive of DIVISION 1 – GENERAL PROVISIONS)
- PART IV – SIGNATURE SHEET, NAME AND RESIDENCE OF PRINCIPALS AND PRICING SHEET(S)
  - Appendix A1—MWBE Goal Statement
  - Appendix A2— MWBE Participation Plan and Affirmation Statement
  - Appendix A3—Information on Solicited Firms
- PART V – SPECIFICATIONS

- ATTACHMENT A - STANDARD CONTRACT TERMS AND CONDITIONS
- ATTACHMENT B – INFORMATION SECURITY HANDBOOK
- EXHIBIT A—CONTRACTOR QUALITY PROGRAM REQUIREMENTS
- EXHIBIT B—WTC-SITE SECURITY REQUIREMENTS
- EXHIBIT C—LOCATION PLAN

Contract Specialist – Joann Spirito – jspirito@panynj.gov

PART I – STANDARD INFORMATION FOR BIDDERS, TABLE OF CONTENTS

1. General Information: The Port Authority of New York and New Jersey 3
2. Form and Submission of Bid 3
3. Vendor Profile 4
4. Acknowledgment of Addenda 4
5. Firm Offer 4
6. Acceptance or Rejection of Bids 4
7. Bidder's Questions 5
8. Additional Information To and From Bidders 5
9. Union Jurisdiction 5
10. Assessment of Bid Requirements 5
11. Bidder's Prerequisites 5
12. Qualification Information 6
13. Facility Inspection 7
14. Available Documents - General 7
15. Pre-award Meeting 8
16. M/WBE Subcontracting Provisions 8
17. Certification of Recycled Materials 10
18. City Payroll Tax 11
19. Additional Bidder Information 11

ATTACHMENT I-A - Certified Environmentally Preferable Products/Practices 12

PART I - STANDARD INFORMATION FOR BIDDERS

1. General Information: The Port Authority of New York and New Jersey

The Port Authority of New York and New Jersey (the "Port Authority" or the "Authority") is an agency of the States of New York and New Jersey, created and existing by virtue of the Compact of April 30, 1921, made by and between the two States, and thereafter consented to by the Congress of the United States. It is charged with providing transportation, terminal and other facilities of trade and commerce within the Port District. The Port District comprises and area of about 1,500 square miles in both States, centering about New York Harbor. The Port District includes the Cities of New York and Yonkers in New York State, and the cities of Newark, Jersey City, Bayonne, Hoboken and Elizabeth in the State of New Jersey, and over 200 other municipalities, including all or part of seventeen counties, in the two States. The Port Authority manages and/or operates all of the region's major commercial airports (Newark Liberty International, John F. Kennedy International, Teterboro, LaGuardia and Stewart International Airports), marine terminals in both New Jersey and New York (Port Newark and Elizabeth, Howland Hook and Brooklyn Piers); and its interstate tunnels and bridges (the Lincoln and Holland Tunnels; the George Washington, Bayonne, and Goethals Bridges; and the Outerbridge Crossing), which are vital "Gateways to the Nation."

In addition, the Port Authority operates the Port Authority Bus Terminal in Manhattan, the largest facility of its kind in the world, and the George Washington Bridge and Journal Square Transportation Center bus stations. The Port Authority also operates the Port Authority Trans-Hudson Corporation (PATH), a rapid rail transit system and a key link in interstate commuter travel, which links Newark and the Jersey City and Hoboken waterfronts with midtown and downtown Manhattan. A number of other key properties are managed by the agency, including but not limited to a large satellite communications facility (the Teleport) in Staten Island and a resource recovery co-generation plant in Newark. Prior to September 11, 2001, the Port Authority's headquarters were located in the World Trade Center, and that complex is still owned by the Authority, which is partially responsible for its redevelopment.

2. Form and Submission of Bid

The Bidder shall review carefully every provision of this document, provide all the information required, and sign and return one entire copy to the Port Authority in accordance with the instructions on the Cover Sheet and Part II – Contract Specific Information for Bidders. The Bidder should retain one complete duplicate copy for its own use. The "Signature Sheet" contained herein must be completed and signed by the Bidder. If applicable, the Pricing Sheet(s) contained herein must also be completed. The bid shall be sealed in the enclosed self-addressed envelope conspicuously marked with the Bidder's name, address, and Vendor Number, if available. In addition, the outside of the package must clearly state the Bid Title, the Bid Number and the Bid Due Date.

Failure to properly label submissions may cause a delay in identification, misdirection or disqualification of the submissions. In submitting this bid, the Bidder offers to assume the obligations and liabilities imposed upon it herein and expressly makes the representations and warranties required in this document.

All Bids must be received by the bid custodian on or before the due date and time specified on

the cover page, at which time they will be publicly opened and read. Bids are accepted only Monday through Friday, excluding Port Authority holidays, between the hours of 8:00 a.m. and 5:00 p.m., via (1) regular mail, (2) express delivery service (e.g. UPS), or (3) hand delivery. If your bid is to be hand-delivered by messenger or if you are planning to attend the formal bid opening, please note that only individuals with valid photo identification will be permitted access to the Port Authority's offices. Individuals without valid identification will be turned away and their packages not accepted. Bids that are not received by the bid custodian by the scheduled bid opening date will be considered late and may be rejected.

3. Vendor Profile

To ensure maximum opportunities for Port Authority work, it is important that Bidders keep their vendor profiles up to date with an appropriate e-mail address, as this will enable their firm to receive timely notice of advertisements, reminders, solicitations and addenda. Bidders may update their vendor profile or register as a Port Authority Vendor by accessing the online registration system at https://panynjprocure.com/VenLogon.asp. Bidders that register as a Port Authority Vendor by accessing the on-line registration system will be sent an acknowledgement with their assigned Vendor Number.

4. Acknowledgment of Addenda

If any Addenda are posted or sent as part of this Bid, the Bidder shall complete, sign and include with its Bid the addenda form(s). In the event any Bidder fails to conform to these instructions, its Bid will nevertheless be construed as though the Addenda had been acknowledged.

If the Bidder downloaded this solicitation document, it is the responsibility of the Bidder to periodically check the Port Authority website at http://www.panynj.gov/business-opportunities/bid-proposal-advertisements.html and download any addenda that might have been issued in connection with this solicitation.

5. Firm Offer

The Bidder offers to provide the Port Authority of New York and New Jersey ("Authority") the services and to perform all Work in connection therewith required under this Contract, all as specified by the terms and conditions of the Contract, based on the Pricing Sheets provided herein.

EXCEPTIONS TAKEN OR CONDITIONS IMPOSED BY A BIDDER TO ANY PORTION OF THE CONTRACT DOCUMENTS WILL RESULT IN REJECTION OF THE BID.

6. Acceptance or Rejection of Bids

The acceptance of a bid will be by a written notice signed by an authorized representative on behalf of the Authority. No other act of the Port Authority, its Commissioners, officers, agents or employees shall constitute acceptance of a bid. The Port Authority reserves the unqualified right, in its sole and absolute discretion, to reject any or all bids or to accept any bid which in its judgment will best serve the public interest and to waive defects in any bid. No rights accrue to any Bidder unless and until its bid is accepted.

7. Bidder's Questions

Any questions by prospective Bidders concerning the Work to be performed or the terms and conditions of the Contract may be addressed to the Contracts Specialist listed on the Cover Sheet of this document. The Contracts Specialist is only authorized to direct the attention of prospective Bidders to the portions of the Contract. No employee of the Port Authority is authorized to interpret any portion of the Contract or to give information in addition to that contained in the Contract. When Contract interpretation or additional information as to the Contract requirements is deemed necessary by the Port Authority, it will be communicated to all Bidders by written addenda issued under the name of the Procurement representative assigned to the specific project and may be posted on the Port Authority website. Addenda shall be considered part of the Contract.

8. Additional Information To and From Bidders

Should the Authority require additional information from the Bidder in connection with its bid, such information shall be submitted within the time frame specified by the Port Authority.

If the Bidder is a corporation (including partnership and joint venture), a statement of the names and residences of its officers should be submitted on the Name and Residence of Principals Sheet, directly following the Signature Sheet.

9. Union Jurisdiction

All prospective Bidders are advised to ascertain whether any union now represented or not represented at the Facility will claim jurisdiction over any aspect of the operations to be performed hereunder; and the Bidder's attention is directed to the paragraph entitled "Harmony" in the Standard Contract Terms and Conditions.

10. Assessment of Bid Requirements

The Bidder should carefully examine and study the entire contents of these bid documents and shall make its own determinations as to the services and materials to be supplied and all other things required to be done by the Contractor.

11. Bidder's Prerequisites

When applicable, only Bidders who can comply with the prerequisites specified in Part II hereof at the time of the submission of its bid should submit bids, as only bids submitted by such Bidders will be considered. By furnishing this document to the Bidder, the Port Authority has not made a determination that the Bidder has met the prerequisites or has otherwise been deemed qualified to perform the services. A determination that a Bidder has met the prerequisites is no assurance that it will be deemed qualified in connection with other bid requirements included herein.

12. Qualification Information

The Port Authority may give written notice to the apparent low Bidder to furnish the Port Authority with information and to meet with designated representatives of the Port Authority relating to the apparent low Bidder's qualifications and ability to fulfill the Contractor's obligations hereunder. The requested information shall be submitted no later than three (3) days after said notice unless otherwise indicated. Matters upon which the Port Authority may inquire may include, but may not be limited to, the following:

a. The apparent low Bidder may be required to demonstrate that it is financially capable of performing this Contract, and the determination of the apparent low Bidder's financial qualifications will be made by the Port Authority in its sole discretion. The apparent low Bidder shall submit such financial and other relevant information as may be required by the Port Authority from time to time including, but not limited to, the following:

1. (i) Certified financial statements, including applicable notes, reflecting the apparent low Bidder's assets, liabilities, net worth, revenues, expenses, profit or loss and cash flow for the most recent calendar year or the Bidder's most recent fiscal year.

   (ii) Where the certified financial statements set forth in (i) above are not available, then either reviewed or compiled statements from an independent accountant setting forth the aforementioned information shall be provided.

   (iii) Where neither certified financial statements nor financial statements from an independent accountant are available, as set forth in (i) and (ii) above, then financial statements containing such information prepared directly by the apparent low Bidder may be submitted; such financial statements, however, must be accompanied by a signed copy of the apparent low Bidder's most recent Federal income tax return and a statement in writing from the apparent low Bidder, signed by an executive officer or their authorized designee, that such statements accurately reflect the present financial condition of the apparent low Bidder.

Where the statements submitted pursuant to subparagraphs (i), (ii) or (iii) are dated prior to forty-five (45) days before the bid opening, then the apparent low Bidder shall submit a statement in writing, signed by an executive officer of the apparent low Bidder or his/her designee, that the present financial condition of the apparent low Bidder is at least as good as that shown on the statements submitted.

1. Apparent low Bidder's statement of work on hand, including any work on which a bid has been submitted, containing a description of the work, the annual dollar value, the location by city and state, the current percentage of completion, the expected date for completion, and the name of an individual most familiar with the apparent low Bidder's work on these jobs.

2. The name and address of the apparent low Bidder's banking institution, chief banking representative handling the apparent low Bidder's account, the apparent low Bidder's Federal Employer Identification Number (i.e., the number assigned to firms by the Federal Government for tax purposes), the apparent low Bidder's Dun and Bradstreet number, if any, the name of any other credit service to which the apparent low Bidder has furnished information, and the number, if any, assigned by such service to the apparent low Bidder's account.

b. Information relating to the apparent low Bidder's Prerequisites, if any, as set forth in this document.

c. If the Bidder is a corporation (including partnerships and joint ventures): (1) a copy of its Certificate of Incorporation and, if applicable, all Amendments thereto with a written declaration signed by the Secretary of the Corporation with the corporate seal affixed thereto, stating that the copy furnished is a true copy of the Certificate of Incorporation and any such Amendments as of the date of the opening of the bid and (2) if the Bidder is not incorporated under the laws of the state in which the service is to be performed, a certificate from the Secretary of State of said state evidencing the Bidder's legal qualification to do business in that state.

d. A statement setting forth the names of those personnel to be in overall charge of the service to be performed and those who would be exclusively assigned to supervise the performance of the service and their specific roles therein, setting forth as to each the number of years of experience and in which functions and capacities each would serve.

e. Information to supplement any statement submitted in accordance with the Standard Contract Terms and Conditions entitled "Contractor's Integrity Provisions."

f. In the event that the Bidder's performance on a current or past Port Authority or PATH contract or contracts has been rated less than satisfactory, the Manager, Purchasing Services Division, may give oral or written notice to the Bidder to furnish information demonstrating to the satisfaction of such Manager that, notwithstanding such rating, such performance was in fact satisfactory or that the circumstances which gave rise to such unsatisfactory rating have changed or will not apply to performance of this Contract, and that such performance will be satisfactory.

g. The Bidder recognizes that it may be required to demonstrate to the satisfaction of the Port Authority that it in fact can perform the services as called for in this Contract and that it may be required to substantiate the warranties and representations set forth herein and the statements and assurances it may be required to give.

Neither the giving of any of the aforesaid notices to a Bidder, the submission of materials by a Bidder, any meeting which the Bidder may have with the Port Authority, nor anything stated by the Port Authority in any such meeting shall be construed or alleged to be construed as an acceptance of said Bidder's bid. Nothing stated in any such meeting shall be deemed to release any Bidder from its offer as contained in the bid.

13. Facility Inspection

Details regarding a Facility inspection for all parties interested in submitting a bid are stipulated in Part II hereof. All Bidders must present company identification and photo identification for access to the Facility.

14. Available Documents - General

Certain documents, listed in Part II hereof, will be made available for reference and examination by Bidders either at the Facility Inspection, or during regular business hours. Arrangements to review these documents at a time other than the Facility Inspection may be made by contacting the person listed in Part II as the contact for the Facility Inspection.

These documents were not prepared for the purpose of providing information for Bidders upon this Contract but they were prepared for other purposes, such as for other contracts or for design purposes for this or other contracts, and they do not form a part of this Contract. The Authority makes no representation or guarantee as to, and shall not be responsible for, their accuracy, completeness or pertinence, and, in addition, shall not be responsible for the inferences or conclusions to be drawn therefrom.

Firms interested in obtaining Contract Documents for this project (Bid # 38310) should contact the Bid Custodian at 201-395-3405. Documents will be available for pick up at:

The Port Authority of NY & NJ
Attention: Bid / Proposal Custodian
Procurement Department
2 Montgomery Street, 3rd Floor
Jersey City, NJ 07302

Because of enhanced security measures, please bring proper photo identification (i.e., valid driver's license and company ID) when coming to pick up contract documents.

15. Pre-award Meeting

The lowest qualified Bidder may be invited to a pre-award meeting prior to award of the Contract.

16. M/WBE Subcontracting Provisions

The Port Authority has a long-standing practice of making its business opportunities available to Minority Business Enterprises (MBEs) and Women-Owned Businesses (WBEs) and has taken affirmative steps to encourage such firms to seek business opportunities with the Port Authority. The successful Bidder shall use good faith efforts to provide for meaningful participation by the Port Authority certified M/WBEs as defined in this document, in the purchasing and subcontracting opportunities associated with this contract, including purchase of equipment, supplies and labor services.

Minority Business Enterprise (MBE) - shall mean a business entity which is at least 51% owned and controlled by one or more members of one or more minority groups, or, in the case of a publicly held corporation, at least 51% of the stock of which is owned by one or more minority groups, and whose management and daily business operations are controlled by one or more such individuals who are citizens or permanent resident aliens.

"Minority Group" means any of the following racial or ethnic groups:

(a) Black persons having origins in any of the Black African racial groups not of Hispanic origin;

(b) Hispanic persons of Mexican, Puerto Rican, Dominican, Cuban, Central or South American culture or origin, regardless of race;

(c) Asian and Pacific Islander persons having origins in any of the original peoples of the Far East, Southeast Asia, The Indian Subcontinent, or the Pacific Islands;

(d) Native American or Alaskan native persons having origins in any of the original peoples of North America and maintaining identifiable tribal affiliations through membership and participation or community identification.

Women-Owned Business Enterprise (WBE) - shall mean a business enterprise which is at least 51% owned by one or more women, or, in the case of a publicly held corporation, at least 51% of the stock of which is owned by one or more women and whose management and daily business operations are controlled by one or more women who are citizens or permanent or resident aliens.

Good faith efforts to include participation by M/WBEs shall include, but not be limited to the following:

1) Dividing the services and materials to be procured into small portions where feasible;
2) Giving reasonable advance notice of specific subcontracting and purchasing opportunities to such firms as may be appropriate;
3) Soliciting services and materials from M/WBEs, which are certified by the Port Authority;
4) Ensuring that provision is made for timely progress payments to the M/WBEs and;
5) Observance of reasonable commercial standards of fair dealing in the respective trade or business.

Bidders are directed to use form PA3749B as the recording mechanism for the M/WBE participation Plan, which may be downloaded at http://www.panynj.gov/business-opportunities/become-vendor.html

The M/WBE Plan submitted by the Contractor to the Port Authority shall contain, at a minimum, the following:

1) Identification of M/WBE's: Provide the names and addresses of all M/WBEs included in the Plan. If none are identified, describe the process for selecting participant firms in order to achieve the good faith goals under this Contract.
2) Level of Participation: Indicate the percentage of M/WBE participation expected to be achieved with the arrangement described in the Plan.
3) Scope of Work: Describe the specific scope of work the M/WBE's will perform.
4) Previous M/WBE Participation: Describe any previous or current M/WBE participation, which the Bidder has utilized in the performance of its contracts.

All M/WBE subcontractors listed on the M/WBE Participation Plan must be certified by the Port Authority in order for the Contractor to receive credit toward the M/WBE goals set forth in this Contract. Please go to www.panynj.gov/supplierdiversity to search for M/WBEs by a particular commodity or service. The Port Authority makes no representation as to the financial responsibility of such firms or their ability to perform Work under this

Contract.

Bidders shall include their M/WBE Participation Plan with their Bids, to be reviewed and approved by the Authority's Office of Business Diversity and Civil Rights (OBDCR).

If the Contractor wishes to subcontract a portion of the Work through a firm not listed in the Directory, but which the Contractor believes should be eligible because it is (1) an M/WBE, as defined above and (2) competent to perform portions of the Work, the Contractor shall submit an M/WBE Uniform Certification Application to the Port Authority of New York and New Jersey, Office of Business Diversity and Civil Rights (OBDCR), 233 Park Avenue South, 4th Floor, New York, NY 10003. The application is available online at www.panynj.gov/supplierdiversity. In addition, to update your certification file and to advise OBDCR of changes to any information, please email these changes to certhelp@panynj.gov . Credit toward applicable goals will be granted only to Port Authority certified vendors. For more information about M/WBE Programs, call (212) 435-7819.

17. Certification of Recycled Materials

Bidders are requested to submit, with their bid, a written certification entitled "Certified Environmentally Preferable Products / Practices" attached hereto as "Attachment I-A", attesting that the products or items offered by the Bidder contain the minimum percentage of post-consumer recovered material in accordance with the most recent guidelines issued by the United States Environmental Protection Agency (EPA), or, for commodities not so covered, the minimum percentage of post-consumer recovered materials established by other applicable regulatory agencies. The data submitted by the Bidder in Attachment I-A is being solicited for informational purposes only.

Recycling Definitions:

For purposes of this solicitation, the following definitions shall apply:

a. "Recovered Material" shall be defined as any waste material or by-product that has been recovered or diverted from solid waste, excluding those materials and by-products generated from, and commonly reused within, an original manufacturing process.

b. "Post-consumer Material" shall be defined as any material or finished product that has served its intended use and has been discarded for disposal or recovery, having completed its life as a consumer item. "Post-consumer material" is included in the broader category of "Recovered Material".

c. "Pre-consumer Material" shall be defined as any material or by-product generated after the manufacture of a product but before the product reaches the consumer, such as damaged or obsolete products. Pre-consumer Material does not include mill and manufacturing trim, scrap, or broken material that is generated at a manufacturing site and commonly reused on-site in the same or another manufacturing process.

d. "Recycled Product" shall be defined as a product that contains the highest amount of post-consumer material practicable, or which (when post-consumer material is impracticable for a specific type of product) contains substantial amounts of Pre-consumer Material.

e. "Recyclable Product" shall be defined as a product and its packaging that have the ability to be reused, reconditioned for use, or recycled through existing recycling collection programs.

f. "Waste Reducing Product" shall be defined as any product that will result in less waste generated due to its use than another product designed to serve the same function but with a greater waste generation rate. This shall include, but not be limited to, those products that can be reused or refilled or that have a longer life expectancy and contain a lesser amount of toxic constituents.

18. City Payroll Tax

Bidders should be aware of the payroll tax imposed by the City of New York, New York for services performed in New York, New York.

These taxes, if applicable, are the sole responsibility of the Contractor. Bidders should consult their tax advisors as to the effect, if any, of these taxes. The Port Authority provides this notice for informational purposes only and is not responsible for either the imposition or administration of such taxes. The Port Authority exemption set forth in the Paragraph headed “Sales or Compensating Use Taxes”, in the Standard Contract Terms and Conditions included herein, does not apply to these taxes.

19. Additional Bidder Information

Prospective Bidders are advised that additional vendor information, including but not limited to, forms, documents and other information, including protest procedures, may be found on the Port Authority website at: http://www.panynj.gov/business-opportunities/become-vendor.html

END OF PART I

ATTACHMENT I-A - Certified Environmentally Preferable Products/Practices

Bidder Name: _____Date: _____

In line with the Port Authority's efforts to promote products and practices which reduce our impact on the environment and human health, Bidders are encouraged to provide information regarding their environmentally preferable/sustainable business practices as they relate to this Contract wherever possible. Bidders are requested to complete this form and submit it with their response, if appropriate. Bidders are requested to submit appropriate documentation to support the items for which the Bidder indicates a "Yes" and to present this documentation in the proper sequence of this Attachment.

1. Packaging

Has the Bidder implemented any of the following environmental initiatives? (A checkmark indicates "Yes")

____ Use of corrugated materials that exceed the required minimum EPA recommended post-consumer recycled content
____ Use of other packaging materials that contain recycled content and are recyclable in most local programs
____ Promotes waste prevention and source reduction by reducing the extent of the packaging and/or offering packaging take-back services, or shipping carton return
____ Reduces or eliminates materials which have been bleached with chlorine or chlorine derivatives
____ Eliminates any packaging that may contain polyvinyl chloride (PVC), or polystyrene or heavy metals.

If yes, a description of the practices being followed should be include with the submission.

2. Business Practices / Operations / Manufacturing

Does the Bidder engage in practices that serve to reduce or minimize an impact to the environment, including, but not necessarily limited to, the following items? (A checkmark indicates "Yes")

____ Recycles materials in the warehouse or other operations
____ Use of alternative fuel vehicles or vehicles equipped with diesel emission control devices for delivery or transportation purposes
____ Use of energy efficient office equipment or signage or the incorporation of green building design elements
____ Use of recycled paper (that meets federal specifications) in their marketing and/or resource materials
____ Other sustainable initiative

If yes, a description of the practices being followed should be included with the submission.

3. Training and Education

Does the Bidder conduct/offer a program to train or inform customers and employees of the environmental benefits of the products to be offered under this contract, and/or does the Bidder conduct environmental training of its own staff?

☐ Yes ☐ No

If yes, Bidder shall attach a description of the training offered and the specific criteria targeted by the training.

4. Certifications

Has the Bidder or any of its manufacturers and/or subcontractors obtained any of the following product / industry certifications? (A checkmark indicates "Yes")

____ ISO 14000 or adopted some other equivalent environmental management system

____ Other industry environmental standards (where applicable), such as the CERES principles, LEED Certification, C2C Protocol, Responsible Care Codes of Practice or other similar standards

____ Third Party product certifications such as Green Seal, Scientific Certification Systems, Smartwood, etc.

If yes, Bidders should attach copies of the certificates obtained.

I hereby certify, under penalty of law, that the above statements are true and correct.

_____Name _____Date

PART II – CONTRACT SPECIFIC INFORMATION FOR BIDDERS,
TABLE OF CONTENTS

1. Service(s) Required 2
2. Project Delivery Location(s) 2
3. Expected Contract Commencement Date: 2
4. Contract Type: 2
5. Duration of Contract: 2
6. Reference Documents 2
7. Site/Facility Inspection 2
8. Specific Bidder's Prerequisites 3
9. Contractor Staff Background Screening 3
10. Background Qualifications Questionnaire 4
11. Conflict of Interest 4
12. Organizational Conflict of Interest 5
13. Bid Submission Requirements: 6
14. Contract Submission Requirements 7
15. Additional Information 7

PART II - CONTRACT SPECIFIC INFORMATION FOR BIDDERS

The following information may be referred to in other parts hereof, or further detailed in other parts hereof, if applicable.

1. Service(s) Required

This Contractor is required to furnish and install utility grade meters for multiple systems throughout the World Trade Center site, as outlined on the Contract Drawings prepared by AKF, dated May 30th, 2014**.**

2. Project Delivery Location(s)

Various locations through the World Trade Center Site. Exhibit C – Location Plan

3. Expected Contract Commencement Date:

Thirty (30) days from award of contract.

4. Contract Type:

Lump Sum Not to Exceed

5. Duration of Contract:

The completion date for this Agreement is (**220**) working days from Notice to Proceed.

Mobilization	September 15th, 2014
Substantial Completion	May 15th, 2015
Complete Punch List	June 12th, 2015
Completion	June 30th, 2015

6. Reference Documents

Drawings and specifications for this project are dated May 30th, 2014 as issued by the Engineer of Record.

Please refer to Part V – Specifications for details.

7. Site/Facility Inspection

DATE AND TIME: June 23rd, 2014 at 10:00 AM

MEETING LOCATION: 115 Broadway, 19th Floor,
New York, NY 10006

Firms interested in attending the site inspection should contact Ms. Joann Spirito at (212) 435-5640 or jspirito@panynj.gov prior to 3:00 P.M., June 20th, 2014 to RSVP. Attendance may be limited to a maximum number of individuals per firm, as deemed appropriate. Individuals wishing to attend will be required to present two valid forms of photo ID.

8. Specific Bidder's Prerequisites

In order for a firm to be considered for the award of this Contract, it shall provide written, documentary evidence, to the satisfaction of the Authority, that the firm meets the following requirements.

A. Minimum Experience of the Firm:

1. As a prime or trade contractor, the firm shall have had at least five (5) years of construction experience on utility meter installation projects of comparable type and complexity; and

2. As a prime or trade contractor during the last five (5) years, the firm shall have successfully completed (or substantially completed) at least three (3) construction projects of comparable type and complexity, with each project valued at approximately $4 million – $10 million. The firm may also qualify if, during the time period stated above, it has (or persons or entities owning and controlling it have) owned and controlled another firm that has satisfactorily and successfully performed and completed services of similar scope to those required under this Contract.

B. Minimum Qualifications of the Project Manager or Superintendent

1. The firm's Project Manager, Superintendent, Chief Engineer(s) and Site Safety Manager(s), as applicable, shall each have a minimum of ten (10) years construction experience on contracts comparable to this Contract in size, type and complexity.

9. Contractor Staff Background Screening

The Contractor awarded this contract may be required to have its staff, and any subcontractor's staff working under this Contract, authorize the Authority or its designee to perform background checks. Such authorization shall be in a form acceptable to the Authority. The Contractor (and subcontractor) may also be required to use an organization designated by the Authority to perform the background checks. The cost for said background checks for staff that pass and are granted a credential shall be reimbursable to the Contractor (and its subcontractors) as an out-of-pocket expense. Costs for background checks for staff that are rejected for a credential for any reason are not reimbursable.

As of January 29, 2007, the Secure Worker Access Consortium (S.W.A.C.) is the only Port Authority approved provider to be used to conduct background screening, except as otherwise required by federal law and/or regulation. Information about S.W.A.C., instructions, corporate enrollment, online applications and location of processing centers can be found at http://www.secureworker.com, or S.W.A.C. may be contacted directly at (877)522-7922.

Refer to Attachment D—Information Security Handbook for additional information.

10. Background Qualifications Questionnaire

The Bidder shall submit a completed Background Qualifications Questionnaire (BQQ), required for all contractors, subcontractors, consultants and vendors providing services for projects at the WTC Site. Said forms must also be submitted for all Subcontractors and suppliers identified at the time of bid submission and whose subcontracts will meet the dollar thresholds requiring the certifications. This document and instructions for submitting the completed BQQ to the Port Authority's Office of Inspector General can be obtained at the Port Authority's website through the following link:

http://www.panynj.gov/wtcprogress/pdf/PANYNJ_OIG_WTC_BQQP.zip

A BQQ is also to be submitted for any subcontractor, subconsultant or vendor known to the Bidder at the time of Bid submission.

11. Conflict of Interest

Individual Conflict of Interest: If the Proposer or any employee, agent or subcontractor of the Proposer may have a possible conflict of interest, or may give the appearance of a possible conflict of interest, the Proposer shall include in its proposal a statement indicating the nature of the conflict and submit a mitigation plan addressing that conflict. The Port Authority reserves the right to disqualify the Proposer if, in its sole discretion, any interest disclosed from any source could create a conflict of interest or give the appearance of a conflict of interest. The Port Authority's determination regarding any questions of conflict of interest shall be final.

In the opinion of the Authority, any Proposer performing construction management, general contracting, design, environmental and/or management services in any capacity for the Authority or other WTC stakeholders/owners responsible for building portions of the WTC site (such as the Lower Manhattan Development Corporation (LMDC), the New York State Department of Transportation (NYSDOT), WTC Net Lessee) has a potential conflict of interest. However, a Proposer who has a business relationship as indicated above and who believes that it can provide a mitigation plan that would address the conflict of interest shall submit such plan for evaluation to the Authority with its Proposal.

It is envisioned and recommended that the following items/concepts be addressed in a proposed mitigation plan where a conflict or the appearance of a conflict of interest may in the future, or does currently exist:

1) A proposed organizational chart/structure/firewall designed to keep staff and resources separate, as specific by project, and to allow for no overlap between team members and resources including, but not limited to: equipment, materials, staffing, laydown areas, and office facilities on said projects.

2) Specific plan(s) intended to maintain the separation and integrity, as specific by project, of the following to include, but not be limited to: confidential and/or privileged information, documents, plans, drawings, estimates and other financial data.

3) Specific plan to maintain proper and independent billing procedure(s) designed to address the avoidance of double and improper billings.

4) Specific plan to educate employees, on all levels, of the importance of said mitigation plan to promote the awareness and importance of mitigation and its role in preventing fraud, waste, and abuse, and verification of such education/training and individual understanding.

5) Specific plan to internally oversee and/or audit the above-listed plans and procedures to ensure compliance.

6) Specific contingency plan, notification, and approval process for cases where there is a necessary, reasonable, and business related purpose for overlap in and/or sharing of staff members and/or resources.

7) Specific contingency plan addressing a direct or suspected violation of said mitigation plan. All violations must be reported to the Port Authority, including its Inspector General.

8) The Contractor shall ensure that any subconsultant/subcontractor will cooperate with the Port Authority's Inspector General and its Integrity Monitor, in auditing the mitigation plan for compliance. This cooperation must include access to all necessary documentation and interviews of employees.

The Authority reserves the right to disqualify the Proposer if, in its sole discretion, any interest disclosed from any source could create a conflict of interest or give the appearance of a conflict of interest. The Authority's determination regarding any questions of conflict of interest will be final.

As used herein, "Integrity Monitor" shall mean a private firm hired to assist the Office of Inspector General in preventing and detecting fraud. There are two applications for an Integrity Monitor. First, an Integrity Monitor may be assigned to prevent or detect fraud on a specific project - for example all Port Authority projects at the World Trade Center site have an integrity monitor. Second, the Port Authority may require contractors with integrity issues to retain at their own cost an Office of Inspector General-approved Integrity Monitor as a condition of being awarded contracts.

12. Organizational Conflict of Interest

(1) The resultant contract to this solicitation may give rise to a potential for an organizational conflict of interest. An organizational conflict of interest exists when the nature of the work to

be performed under the Agreement may, without some form of restriction on future activities, result in an unfair competitive advantage to the Proposer.

a. The Contractor shall have access to confidential and/or sensitive Authority information in the course of performing this Agreement. Additionally, the Contractor may be provided access to proprietary information obtained from other contracted entities during Agreement performance. The Contractor agrees to protect all such information from disclosure even after Contract expiration or termination, unless otherwise authorized, in writing, by the Authority and to refrain from using such information for any purpose other than that for which it was furnished.
b. To the extent that the Contractor either (i) uses confidential and/or sensitive Authority information or proprietary information obtained from other Authority contractors to develop any form of document, report, or plan that is determined by the Authority to be the basis, in whole or in part, of any subsequent solicitation issued by the Authority or (ii) develops written specifications that are used in any subsequent solicitation issued by the Authority, the Contractor agrees that it shall not be eligible to compete for such subsequent solicitation(s) as a prime or principal contractor or as part of any teaming arrangement unless the Authority provides, in writing, a specific waiver of this restriction. The duration of any restriction imposed under this subparagraph shall not exceed the length of the initial performance period of any subsequently awarded contract for which the Contractor was ineligible to complete.

(2) A Proposer, by submitting its proposal, agrees to the above stated conditions and terms and further agrees to perform all duties under the contract and, in doing so, agrees not to enter into contractual agreements with Authority prime contractors and first-tier subcontractors in such a way as to create an organizational conflict of interest.

(3) If the Authority determines that a Contractor has violated any term of this clause entitled "Organizational Conflict of Interest", the Authority may take any appropriate action available under the law or regulations to obtain redress including, but not be limited to, requiring the Proposer to terminate any affiliation or contractual arrangement with an Authority prime contractor or first-tier subcontractor at no cost to the Authority, determining the Proposer ineligible to compete for or be awarded any subsequent or "follow-on" contracts that may be based upon the Proposer's actions under the resultant Contract or violations of this numbered clause, or terminating such contract, in whole or in part.

13. Bid Submission Requirements:

A. The following items are additional bid submittal requirements and shall accompany your bid submission:

1. A bid guarantee in the amount of five (5) percent of the total bid price shall be submitted with Proposal in the form provided herein. The "bid guarantee" shall consist of a firm commitment such as a Bid Bond, in the form attached hereto, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of his bid, execute such contractual documents as may be required within the time specified.

B. Attachment B contains additional bid submittal requirements that are contained within the Federal Emergency Management Administration (FEMA) Requirements and/or Solicitation Document and shall accompany your bid submission.

14. Contract Submission Requirements

The following shall be submitted for approval within 5 **working days** after Contract Award:

A. Certificates of Insurance in accordance with the Contract provisions contained herein.
B. Certified Financial Statements in accordance with Section 13, Part I – Qualification Information.

15. Additional Information

a. The Bidder, by submitting a Bid confirms that he is familiar with the WTC site and the Scope of Work, including access requirements, material delivery requirements and security clearance requirements.
b. The Bidder, by submitting a Bid confirms that he has visited and examined all work areas, has verified access to all areas and has confirmed his ability to properly and safely perform the work.

BID BOND

KNOW ALL MEN BY THESE PRESENTS, that we, the undersigned[1]

as principal(s); and[2]

as surety are hereby held and firmly bound unto The Port Authority of New York and New Jersey (herein called the "Authority") in the penal of $_____ _____, for the payment of which, well and truly to be made, we hereby jointly and severally bind ourselves, our heirs, executors, administrators, successors and assigns.
Signed this _____day of _____
, 2014
The condition of the above obligation is such that whereas the above named principal(s) has submitted to the Authority a certain Proposal, bound herewith and hereby made a part hereof, to perform the obligations of the Contractor under a contract in writing, known as "WTCR-381660-A - WTC Redevelopment Utility Metering Integration," now therefore:

a) If said Proposal shall not be accepted, or
b) If said Proposal shall be accepted and the Authority does not require the principal(s) to furnish a Performance and Payment Bond, or
c) If said Proposal shall be accepted and the Authority requires the principal(s) to furnish a Performance and Payment Bond and either the principal(s) furnishes a Performance and Payment Bond satisfactory to the Authority in accordance with the requirements of said Proposal or the Authority does not terminate the Contract as provided therein on account of the failure to furnish such a bond,

Then, this obligation shall be void, otherwise the same shall remain in full force and effect; it being expressly understood and agreed that the liability of the surety for any and all claims hereunder shall, in no event, exceed the penal amount of this obligation as herein stated.

The surety, for value received, hereby stipulates and agrees that the obligations of said surety and its bond shall be in no way impaired or affected by any extensions of the times within which the Authority may receive or accept such Proposal or within which the principal(s) may furnish a Performance and Payment Bond or by any waiver by the Authority of any of the requirements of said Proposal; and said surety does hereby waive notice of any such extensions or waivers.

---

[1] Insert bidder's name. If a corporation, give the state of incorporation using the phrase "a corporation organized under the laws of the ".
If a partnership, give full names of partners, using also the phrase, "co-partners doing business under the firm name of ".
If an individual using a trade name, give individual name, using also the phrase, "an individual doing business under the trade name of ".
If a joint venture, give the information required above for each participant in the joint venture.

[2] Insert name of surety.

IN WITNESS WHEREOF, the principal(s) and surety have hereunto set their hands and seals, and such of them as are corporations have caused their corporate seals to be hereto affixed and these presents to be signed by their proper officers, the day and year first set forth above.

_____
Principal [3]

(Seal)

By[4] _____

_____
Surety

(Seal)

By[5] _____

END OF PART II

[3] If bidder is a joint venture, insert signature and information required as appropriate for one participant of the joint venture on this page and attach and complete an additional sheet in the same form as appears on this page for each other participant as required.

[4] If bond is signed by an officer or agent, give title; if signed by a corporation, affix corporate seal.

[5] If bond is signed by an officer or agent, give title; if signed by a corporation, affix corporate seal.

PART III – CONTRACT TERMS AND CONDITIONS, WTC REDEVELOPMENT UTILITY METERING INTEGRATION

TABLE OF CONTENTS

CHAPTER I **4**

GENERAL PROVISIONS **4**

1. GENERAL AGREEMENT 4
2. DEFINITIONS 4
3. CONTRACTOR NOT AN AGENT 6
4. AGENCY FOR RENTAL OF CONSTRUCTION EQUIPMENT 6
5. EXEMPTION FROM NEW YORK STATE AND NEW YORK CITY SALES TAXES 8
6. PERFORMANCE BOND 9
7. PAYMENT BOND 10
8. RECORDS AND REPORTS 11

CHAPTER II **13**

ADJUSTMENTS AND PAYMENTS **13**

9. ADJUSTMENTS OF LUMP SUM 13
10. COMPENSATION FOR EXTRA WORK 13
11. COMPENSATION FOR PREMIUM TIME 16
12. COMPENSATION FOR EMERGENCY DELAYS 17
13. PROGRESS PAYMENTS 17
14. RELEASE OF MONIES PREVIOUSLY WITHHELD FROM PROGRESS PAYMENTS UPON RENDITION OF A CERTIFICATE OF SUBSTANTIAL COMPLETION 18
15. FINAL PAYMENT 19
16. WITHHOLDING OF PAYMENTS 20

CHAPTER III **22**

PROVISIONS RELATING TO TIME **22**

17. TIME FOR COMPLETION AND DAMAGES FOR DELAY 22
18. EXTENSIONS OF TIME 23
19. IDLE HOURLY EMPLOYEES AND EQUIPMENT 24
20. DELAYS TO CONTRACTOR 25
21. CANCELLATION FOR DELAY 26

CHAPTER IV **27**

CONDUCT OF CONTRACT **27**

22. EQUAL EMPLOYMENT OPPORTUNITY, AFFIRMATIVE ACTION, NON DISCRIMINATION 27
23. M/WBE GOOD FAITH PARTICIPATION 27
24. CERTIFICATES OF PARTIAL COMPLETION 28
25. CERTIFICATE OF SUBSTANTIAL COMPLETION 28
26. CERTIFICATE OF FINAL COMPLETION 29
27. CLAIMS OF THIRD PERSONS 29
28. NO THIRD PARTY RIGHTS 29
29. ASSIGNMENTS AND SUBCONTRACTS 29

CHAPTER V **30**

WARRANTIES MADE AND LIABILITY **30**

ASSUMED BY THE CONTRACTOR **30**

30. INSURANCE REQUIREMENTS 30

31. Personal non-liability 33
32. WARRANTIES....33
33. Contractor's warranties 33
34. indemnification and risks assumed by the contractor 34

CHAPTER VI.... 36

RIGHTS AND REMEDIES.... 36

35. Rights and remedies of the authority....36
36. Rights and Remedies of the Contractor 36
37. no estoppel or waiver....36

CHAPTER VII.... 37

MISCELLANEOUS.... 37

38. Submission to jurisdiction 37
39. provisions of law deemed inserted 37
40. confidential information/non-publication....37
41. INTERACTION WITH THE MEDIA AND PUBLIC 38
42. Site wide property MANAGER....38
43. Immigration and Nationality Act 39
44. General Obligations....39
45. Certification of No Investigation (criminal or civil anti-trust), Indictment, Conviction, Debarment, Suspension, Disqualification and Disclosure of Other Information....40
46. Non-Collusive Bidding, and Code of Ethics Certification, Certification of No Solicitation Based On Commission, Percentage, Brokerage, Contingent or Other Fees 40
47. Bidder Eligibility for Award of Contracts - Determination by an Agency of the State of New York or New Jersey Concerning Eligibility to Receive Public Contracts 42
48. Contractor Responsibility, Suspension of Work and Termination 42
49. No Gifts, Gratuities, Offers of Employment, Etc....43
50. Conflict of Interest....44
51. Definitions 44
52. integrity monitor....45
53. Lost and Found Propoerty 45
54. Property of the Contractor 45
55. Modification of Contract 45
56. Invalid Clauses....45
57. Intellectual Property....45
58. Contract Records and Documents – Passwords and Codes....46
59. costs assumed by the contractor....46
60. holidays 46
61. Personnel Standards 46

PERFORMANCE BOND.... 48

ACKNOWLEDGMENT OF PRINCIPAL, A CORPORATION.... 51

PAYMENT BOND 52

ACKNOWLEDGMENT OF PRINCIPAL, IF A CORPORATION 55

SPECIFICATIONS.... 56

DIVISION 1 56

GENERAL PROVISIONS.... 56

62. CONSTRUCTION REQUIRED BY THE SPECIFICATIONS....56
63. AVAILABLE PROPERTY 56

64. MATERIALS FURNISHED BY THE AUTHORITY 57
65. APPROVAL OF MATERIALS, SUPPLIES AND EQUIPMENT 57
66. DAMAGE TO ADJACENT IMPROVEMENTS 58
67. OPERATIONS OF OTHERS 58
68. HARMONY 58
69. CONTRACTOR'S MEETINGS 58
70. CONTRACT DRAWINGS 59
71. APPROVAL OF METHODS 59
72. SHOP DRAWINGS, CATALOG CUTS AND SAMPLES 59
73. SUBSTITUTION 61
74. WORKMANSHIP AND MATERIALS 62
75. INSPECTIONS AND REJECTIONS 64
76. MANUFACTURERS' CERTIFICATION 65
77. NO RELEASE OF CONTRACTOR 66
78. ERRORS AND DISCREPANCIES 66
79. DIFFERING SUBSURFACE CONDITIONS 66
80. ACCIDENTS AND FIRST AID PROVISIONS 66
81. SAFETY PROVISIONS 67
82. SAFETY, HEALTH AND ENVIRONMENTAL PROVISIONS 68
83. NOTIFICATION OF SECURITY REQUIREMENTS 72
84. GENERAL UNIFORM REQUIREMENTS FOR CONTRACTOR'S PERSONNEL 74
85. RECYCLING OF CONSTRUCTION DEBRIS MATERIAL 74
86. DAILY PROGRESS, EQUIPMENT AND LABOR REPORTS 75
87. LAWS AND ORDINANCES 75
88. SIGNS 75
89. CONTRACTOR'S FIELD OFFICE AND REPRESENTATIVE 75
90. CONTRACTOR'S VEHICLES – PARKING - LICENSES 75
91. SUPERINTENDENT/MANAGER'S AUTHORITY 76
92. SURVEYS 76
93. TEMPORARY STRUCTURES 76
94. PERMIT AND REQUIREMENTS FOR WELDING 77
95. FINAL INSPECTION 77
96. TEMPORARY UTILITY SERVICES 77
97. TEMPORARY SANITARY FACILITIES 77
98. PROGRESS SCHEDULE 78

MANDATORY ACTIVITY CODES 83

99. ANALYSIS OF BID 84
100. CONDITIONS AND PRECAUTIONS 84
101. HOURS OF WORK AND CONSTRUCTION STAGING 85
102. CONDUCT OF WORK PLAN 85
103. SITE ACCESS AND STAGING RESTRICTIONS 86
104. WORLD TRADE CENTER (WTC) SITE SECURITY REQUIREMENTS 86

CHAPTER I
GENERAL PROVISIONS

1. GENERAL AGREEMENT

Subject to all of the terms and conditions of this Contract, the undersigned ("Contractor") hereby offers and agrees to provide all the necessary supervision, personnel, materials, and equipment necessary to perform the Work required by this Contract as specified in Part II, and as more fully set forth in Part V ("Specifications"), at the location(s) listed in Part II and as more fully set forth in the Specifications, and to do all other things necessary or proper therefor or incidental thereto, all in strict accordance with the provisions of the Contract Documents and any future changes therein; and the Contractor further agrees to assume and perform all other duties and obligations imposed upon it by this Contract.

In addition, all things not expressly mentioned in the Specifications but involved in the carrying out of their intent and in the complete and proper execution of the matters referred to in and required by this Contract are required by the Specifications, and the Contractor shall perform the same as though they were specifically delineated, described and mentioned therein.

2. DEFINITIONS

A. To avoid undue repetition, the following terms whenever they occur in this Form of Contract or any of the other papers forming a part of the Contract shall be construed as follows:

1) "Catalog Cuts" shall mean all standard drawings, diagrams, illustrations, brochures, schedules, performance charts and instructions submitted by the Contractor pursuant to the requirements of the Specifications or the Director to illustrate some portion of the Work.
2) "Contract" shall mean, in addition to this Form of Contract, the Information for Bidders, the Proposal, the Authority's acceptance, the Specifications and the Contract Drawings (including written addenda issued over the name of the Director), all of which are made part hereof as though herein set forth in full. The Contract as so defined shall constitute the complete and exclusive statement of the terms of the agreement between the parties and the Contract may not be explained or supplemented by course of dealing, usage of trade or course of performance.
3) "Contract, Documents" or "Agreement" shall mean the writings setting forth the scope, terms, conditions and Specifications for the procurement of Goods and/or Services, as defined hereunder and shall include, but not be limited to: Invitation for Bid (IFB), Request for Quotation (RFQ), Request for Proposal (RFP), Purchase Order (PO), Cover Sheet, executed Signature Sheet, AND PRICING SHEETS with Contract prices inserted," " CONTRACT TERMS AND CONDITIONS," and, if included, attachments, endorsements, schedules, exhibits, or drawings, the Authority's acceptance and any written addenda issued over the name of the Authority's Manager, Purchasing Services Division.
4) "Contractor" and "General Contractor" shall mean the contractor who is contracting hereby to perform the Work under this Contract and each of its officers, directors, employees, agents, successors, and assigns.
5) The term "days" or "calendar days" in reference to a period of time shall mean consecutive calendar days, Saturdays, Sundays and holidays included.
6) "Week" unless otherwise specified, shall mean seven (7) consecutive calendar days, including Saturdays, Sundays, and holidays.
7) "Month" – unless otherwise specified, shall mean a calendar month.
8) "Director" shall mean the Director, World Trade Center Redevelopment, or his successor in duties, acting either personally or through his duly authorized representatives acting within the scope of the particular authority vested in them. The Director or his duly authorized representative(s) will be responsible to administer the Contract.

9) "Chief Procurement and Contract Officer " shall mean the Chief Procurement and Contract Officer of the Authority, or her successor in duties, acting either personally or through her duly authorized representatives acting within the scope of the particular authority vested in them.
10) "Chief Engineer" shall mean the Chief Engineer of the Authority for the time being, or his successor in duties, acting personally.
11) "Engineer" shall mean the Engineer of Construction for the time being, acting either personally or through his duly authorized representatives acting within the scope of the particular authority vested in them.
12) "Assistant Chief Engineer for Construction" shall mean the Assistant Chief Engineer for Construction of the Authority for the time being, or his successor in duties, acting personally.
13) "Engineer of Construction" shall mean the designated Engineer of Construction for the site/facility at which the Work is being performed or his successor in duties, acting personally.
14) "Equipment" and "plant" shall include construction equipment and plant rented as agent for the Authority.
15) "Extra Work" shall mean Work required by the Director pursuant to the clause hereof entitled "Compensation for Extra Work " which is in addition to that required by the Contract Drawings and Specifications in their present form.
16) "Inspector" shall mean any representative of the Director designated by him as Inspector and acting within the scope of the particular authority vested in him.
17) "Lump Sum" shall mean the amount stipulated in Part IV.
18) "Materialman" shall mean anyone who furnishes materials, plant or equipment to the Contractor or any subcontractor for use at or about the construction site in the performance of Work. "Materialman" or "subcontractor", however, shall exclude the Contractor or any subsidiary or parent of the Contractor or any person, firm or corporation which has a substantial interest in the Contractor or in which the Contractor or the parent or the subsidiary of the Contractor, or an officer or principal of the Contractor or of the parent or the subsidiary of the Contractor has a substantial interest, provided, however, that for the purpose of the clause hereof entitled "Assignments and Subcontracts" the exclusion in this paragraph shall not apply to anyone but the Contractor itself.
19) "Notice" shall mean a written notice, unless otherwise specified
20) The term "permanent construction" shall include all construction, installation, structures, equipment and materials (including materials and equipment, if any, furnished by the Authority to be constructed, installed or left by the Contractor at or about the construction site (or elsewhere in the possession of the Authority after the completion of the Work (whether or not they are yet delivered or installed), even though they are subsequently to be removed by others. The terms, "permanent installation", "permanent structure", "permanent materials", and words of similar import shall have the same meaning as the term "permanent construction."
21) "Shop Drawings" shall mean all drawings, diagrams, illustrations, schedules, including supporting data, which are specifically prepared for this Contract and submitted by the Contractor pursuant to the requirements of the Specifications or the Director to illustrate some portion of the Work. The terms "shop drawings", "placing drawings" and "working drawings" are used interchangeably in this Contract.
22) "Subcontractor" shall mean anyone who performs Work (other than or in addition to the furnishing of materials, plant or equipment) at or about the construction site, directly or indirectly for or in behalf of the Contractor (and whether or not in privity of contract with the Contractor), but shall not include any person who furnished merely its own personal labor or its own personal services or who performs Work which consists only of the operation of construction equipment of which he is the lessor.
23) “World Trade Center Redevelopment (WTCR)” shall mean the Port Authority’s World Trade Center Redevelopment Department, which is principally responsible for the redevelopment of the World Trade Center Construction Site.

24) "Work" shall mean all structures, equipment, plant, labor, materials (including materials and equipment, if any, furnished by the Authority) and other facilities and all other things necessary or proper for or incidental to performing all construction described in the Contract Documents; and “performance of Work” and words of similar import shall mean the furnishing of such facilities and the doing of such things. "Work required by the Contract Drawings and Specifications in their present form" or words of similar import shall include all Work required by the Specifications in their present form (whether or not shown upon the Contract Drawings), all Work shown upon the Contract Drawings in their present form (whether or not mentioned in the Specifications), and all Work involved in or incidental to the accomplishment of the results intended by the Specifications and Contract Drawings in their present form (whether or not mentioned therein or shown thereon).
25) “Site”, “Site of the Work”, “WTC Site”, “Construction Site” or words of similar import shall mean the World Trade Center Site and all buildings and properties associated therewith as described in this Contract.
26) Small Business Enterprise (SBE) The criteria for a Small Business Enterprise are:
    - The principal place of business must be located in New York or New Jersey;
    - The firm must have been in business for at least three years with activity;
    - Average gross income limitations by industry as established by the Port Authority.
27) Women Owned Business Enterprise (WBE) shall mean a business enterprise which is at least 51% owned by one or more women, or, in the case of a publicly held corporation, at least 51% of the stock of which is owned by one or more women and whose management and daily business operations are controlled by one or more women who are citizens or permanent or resident aliens.
28) "Workingman" or "workman" shall mean any employee of the Contractor or of a subcontractor who performs personal labor or personal services at the construction site.
29) Whenever the following words refer to the Work or its performance, "directed", "required", "permitted", "ordered", "designated", "prescribed" and words of similar import shall mean directed, required permitted, ordered, designated or prescribed by the Director; and "approved", "acceptable", "satisfactory" and words of similar import shall mean approved by or acceptable or satisfactory to the Director, and "necessary", "reasonable", "proper", "correct" and words of similar import shall mean necessary, reasonable, proper or correct in the judgment of the Director.
30) Whenever "including", "such as" or words of similar import are used, the specific things thereafter enumerated shall not limit the generality of the things preceding such words.
31) “Metering Management Entity” shall mean the entity responsible for providing software platform to remotely monitor and read the WTC Site utility meters.
32) “Project” shall mean the scope of work covered under this Contract.
33) **“**Site Wide Property Manager” is the entity responsible for WTC Site property management.

3. CONTRACTOR NOT AN AGENT

This Agreement does not constitute the Contractor as the agent or representative of the Port Authority, for any purpose whatsoever except as may be specifically provided in this Agreement. It is hereby specifically acknowledged and understood that the Contractor, in performing its services hereunder, is and shall be at all times an independent Contractor and the officers, agents and employees of the Contractor shall not be or be deemed to be agents, servants or employees of the Port Authority.

4. AGENCY FOR RENTAL OF CONSTRUCTION EQUIPMENT

a. General Provisions:

1) The Contractor further agrees to act as the agent of the Authority, subject to the provisions of this numbered clause relating to such agency for the rental of all construction equipment necessary or desirable for or incidental to the performance of the Contract (other than construction equipment owned and also used by the Contractor or owned and also used by any subcontractor) and, in the exercise of such agency, to assume all the obligations and duties imposed upon him by this Contract. The Contractor may authorize any subcontractor to act as its subagent for rental of such equipment for use by such subcontractor, subject to all the provisions of this Contract. "Construction equipment" as used in this numbered clause shall include plant.

2) The Authority will pay the rental charges for said equipment directly to the lessors thereof, but the charges so paid shall be deducted from the compensation payable to the Contractor under the Contract; provided, however, that the Authority will pay such charges, and the Contractor is authorized by the Authority to act as such agent, to the extent only that the charges payable for such rental do not exceed the compensation payable to the Contractor under the Contract; and provided further that the Contractor performs all the obligations relating to said agency imposed upon him by this Contract.

3) The Authority will provide the Contractor with a statement to be furnished by him and the subcontractors to such lessors which will identify this Contract as the one under which the Contractor is authorized to rent said equipment and which will identify the site to which delivery must be made. The Contractor shall arrange for delivery of said equipment directly to the construction site. Payment of the rental charges therefore shall be made by the Authority on the basis of invoices made out to the Authority in which is contained the place of delivery and on which the Contractor has certified by endorsement that such construction equipment is being or has been used in the performance of the Contract, said invoices to be submitted through the Contractor to the Authority at the time said equipment is put into use at the construction site. In the event said invoices are not submitted promptly, at the time stated above, but are submitted at a time when, by reason of prior advances and payments to the Contractor or for its account, the amounts still payable to the Contractor in connection with the Contract are insufficient to pay said invoices, then the Authority shall not be liable to the lessors for any amounts in excess of said amounts still payable to the Contractor which remain in the possession of the Authority.

4) Notwithstanding the above agency arrangement, the Authority shall not be liable to lessors of construction equipment for any amounts except rental charges based on time of use of such equipment, and the Contractor's agency is limited accordingly. All obligations incurred by the Contractor or subcontractors for any other expenses, including repairs and damages for breach of the rental agreement, shall be obligations incurred by the Contractor or subcontractors as principal not as agent of the Authority. Moreover, as between the Authority and the Contractor, the Contractor shall be responsible for all amounts due to lessors of construction equipment notwithstanding the above agency arrangement.

5) The Contractor shall indemnify the Authority against any claim of any kind whatsoever made against the Authority by a lessor of construction equipment and the Contractor assumes the risk of all claims against him by any lessor of construction equipment, including in both cases, claims in connection with a subcontractor.

6) The agency provided for under this numbered clause shall not relieve the Contractor of any of its duties and obligations elsewhere provided for under this Contract.

b. Option Not to Act as Agent

1) Notwithstanding the provisions of A above, the Contractor shall have the right to elect not to act as the agent of the Authority for the rental of any particular item or items of said construction equipment, in which event, with regard to any such rentals by the Contractor as principal and not agent, the provisions of A of this numbered clause shall be inapplicable as well as those provisions of the clause of the Form of Contract entitled "Exemption From New York State and New York City Sales Taxes", which relate to rental of construction equipment. In such case, the Contractor will pay all costs for all rental equipment directly to the lessor of equipment and shall not be reimbursed by the Authority (as such amount shall be included in the Lump Sum)

5. EXEMPTION FROM NEW YORK STATE AND NEW YORK CITY SALES TAXES

a. The Contractor (and its subcontractors and consultants, if any) should familiarize itself with New York's tax laws and regulations ("NY Tax Law"), including Form ST-120.1, Contractor Exempt Purchase Certificate issued by the New York State Department of Taxation and Finance ("Department"), as they apply to the Work. Contractor should also seek guidance from its tax advisor or legal counsel to ensure that it fully understands the contractor's Sales Tax exemptions described in the NY Tax Law.

b. The Port Authority of New York and New Jersey ("Authority") is an Exempt Organization as defined in the NY Tax Law. The Authority is also the owner of the property upon which the Work is to be performed and of all improvements made or to be made thereon.

c. The NY Tax Law provides contractors certain exemptions from New York sales and compensating use tax ("Sales Tax") relating to their purchases of tangible personal property and services to improve real property owned by Exempt Organizations ("Exempt Purchases"), including the Authority.

1) Exempt Purchases include:

a. tangible personal property sold to a contractor to create a building or structure or to improve real property, or to maintain, service or repair a building, structure or real property owned by an Exempt Organization (e.g. the Authority) when such tangible personal property will become an integral component part of such building, structure or real property;

b. certain trash removal services being performed for the Work; and

c. tangible personal property to be installed in the Work but which remains tangible personal property after installation.

d. The Contractor shall not include Sales Tax for Exempt Purchases in its price proposal.

e. Tax exemption numbers and Form ST-119.1, *Exempt Organization Exempt Purchase Certificate* are not issued to the Authority or to other New York State governmental entities (see letter from the Department attached to Rider "I"). Contractor (and its subcontractors and consultants, if any) must execute and provide its vendors with a properly completed Form ST-120.1 *Contractor Exempt Purchase Certificate* when effectuating Exempt Purchases. This fully executed Contract and a properly completed and signed Form ST-120.1, evidences the tax exempt status of the Exempt Purchases.

f. The Contractor shall include in its price proposal Sales Tax applicable to purchases, other than Exempt Purchases, required under this contract.

g. The parties acknowledge that the Authority may choose to purchase property not to be incorporated into the Work and services (including the rental of equipment) for the Work exempt from Sales Tax through an agent that is properly appointed by it to act on its behalf. Contractor hereby agrees to accept such agency designation at the Authority's election, and to execute all forms and agreements necessary to accomplish the same. In such event, the Contractor will be required to execute a deduct change order with the Authority to reflect the change in the Contractor's price proposal after subtracting any Sales Tax and/or other costs not incurred by Contractor.

6. PERFORMANCE BOND

A. If the Authority shall in its sole discretion so elect at the time of accepting the Contractor's Proposal the Contractor shall furnish a bond for the faithful performance of all obligations imposed upon it by the Contract and also for the payment of all lawful claims of subcontractors, materialmen and workmen arising out of the performance of the Contract. Such bond shall be in the form bound herewith entitled, "Performance Bond", shall be in a penal sum equal to one hundred per cent (100%) of the Lump Sum and such bond shall be signed by one or more sureties[1] satisfactory to the Authority. The bond may be executed on a separate copy of such form not physically attached to this Contract booklet. In any case, both the form of bond bound herewith and any unattached executed copy thereof shall form a part of this Form of Contract as though herein set forth in full.

B. At any time after the opening of Proposals, the Authority may give notice to one or more Bidders to advise the Authority as to the names of their proposed sureties. Within forty-eight hours thereafter each bidder so notified shall so advise the Authority. The giving of such notice to a bidder shall not be construed as an acceptance of its Proposal, and omission to give such notice shall not be construed as an election by the Authority not to require a bond.

C. The Contractor shall deliver such bond to the Authority within seven days after receipt by him of the acceptance of its Proposal, and the sureties thereon shall be as proposed by him, provided, that if the Authority has theretofore given notice to him that its proposed sureties or any of them are not satisfactory, the bond shall be executed by other sureties satisfactory to the Authority.

D. The Authority shall give notice to the Contractor within ten (10) days after receipt of the Performance and Payment Bond as to whether or not such bond is satisfactory.

F. In the event of a default by the Contractor in its obligation to furnish a satisfactory bond within seven (7) days after he received an acceptance of its Proposal, such default shall entitle the Authority in its discretion to terminate this Contract at any time within forty-five (45) days after the acceptance of the Proposal, without any liability on the part of the Authority. Inasmuch as the damages to the Authority resulting from a termination by it upon the failure of the Contractor to furnish a satisfactory bond will include items whose accurate amount will be difficult or impossible to compute, such damages shall be liquidated in the sum of the following amounts:
   1) The excess, if any, of the Lump Sum in the Proposal finally accepted over that in the Proposal of the Contractor; and
   2) The expense of such new advertisement of the Contract, if any, as may be deemed necessary by the Authority; and
   3) The sum of $15,000 for each day after the receipt by the Contractor of the acceptance of its Proposal that the performance of the Contract is not commenced by reason of the failure of the Contractor to furnish the required bond.

G. In the recovery of the damages above specified, the Authority may proceed against the sum represented by the certified check deposited with it or against the Bid Bond, if applicable, and take such other action as it may deem best in the public interest.

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[1] Sureties must be corporations (commonly known as "surety companies"), authorized to do business as sureties in the state(s) in which the construction site is located, whose names appear on the current list of the Treasury Department of the United States in effect at the time of submission of the Performance and Payment Bond to the Authority as acceptable as sureties to the Treasury Department. In addition, the aggregate underwriting limitations on any one risk as set forth in the aforementioned list of the Treasury Department of the sureties shall equal or exceed the penal sum of the Performance and Payment Bond.

H. If the Contractor furnishes a bond in accordance with the requirements of the Authority under this numbered clause, the Authority shall reimburse the Contractor for the net amount actually paid by him to the surety or sureties as the premium on such bond. The Contractor shall deliver to the Director receipts from the surety or sureties evidencing such payment and the amount thereof. Within fifteen days after receipt of such evidence satisfactory to the Director, the Authority shall pay to the Contractor by check the amount provided in this numbered clause.

I. If at any time the Authority shall be or become dissatisfied with any surety or sureties then upon any bond furnished in accordance with the requirements of the Authority, or if for any other reason such bond shall cease to be adequate security to the Authority, the Contractor shall, within five days after notice from the Authority so to do, substitute a new bond in such form and sum and signed by such other sureties as may be necessary in the opinion of the Authority to constitute adequate security.

7. PAYMENT BOND

A. The Contractor shall furnish a bond for payment of all lawful claims of subcontractors, materialmen and workmen arising out of the performance of this contract. Such bond shall be in the form bound herewith entitled, "Performance Bond", shall be in a penal sum equal to 100% of the Lump Sum and such bond shall be signed by one or more sureties[2] satisfactory to the Authority. The bond may be executed on a separate copy of such form not physically attached to this Contract booklet. In any case, both the form of bond bound herewith and any unattached executed copy thereof shall form a part of this Form of Contract as though herein set forth in full.

B. At any time after the opening of Proposals, the Authority may give notice to one or more bidders to advise the Authority as to the names of their proposed sureties. Within forty-eight hours thereafter each bidder so notified shall so advise the Authority. The giving of such notice to a bidder shall not be construed as an acceptance of its Proposal, and omission to give such notice shall not be construed as an election by the Authority not to require a bond.

C. The Contractor shall deliver such bond to the Authority within seven days after receipt by him of the acceptance of its Proposal, and the sureties thereon shall be as proposed by it, provided, that if the Authority has theretofore given notice to him that its proposed sureties or any of them are not satisfactory, the bond shall be executed by other sureties satisfactory to the Authority.

D. The Authority shall give notice to the Contractor within ten (10) days after receipt of the Performance Bond as to whether or not such bond is satisfactory.

F. In the event of a default by the Contractor in its obligation to furnish a satisfactory bond within seven (7) days after he received an acceptance of its Proposal, such default shall entitle the Authority in its discretion to terminate this Contract at any time within forty-five (45) days after the acceptance of the Proposal, without any liability on the part of the Authority. Inasmuch as the damages to the Authority resulting from a termination by it upon the failure of the Contractor to furnish a satisfactory bond will include items whose accurate amount will be difficult or impossible to compute, such damages shall be liquidated in the sum of the following amounts:

1) The excess, if any, of the Lump Sum in the Proposal finally accepted over that in the Proposal of the Contractor; and
2) The expense of such new advertisement of the Contract, if any, as may be deemed necessary by the Authority; and

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[2] Sureties must be corporations (commonly known as "surety companies"), authorized to do business as sureties in the state(s) in which the construction site is located, whose names appear on the current list of the Treasury Department of the United States in effect at the time of submission of the Performance and Payment Bond to the Authority as acceptable as sureties to the Treasury Department. In addition, the aggregate underwriting limitations on any one risk as set forth in the aforementioned list of the Treasury Department of the sureties shall equal or exceed the penal sum of the Performance and Payment Bond.

3) The sum of $15,000 for each day after the receipt by the Contractor of the acceptance of its Proposal that the performance of the Contract is not commenced by reason of the failure of the Contractor to furnish the required bond.

G. In the recovery of the damages above specified, the Authority may proceed against the sum represented by the certified check deposited with it or against the Bid Bond, if applicable, and take such other action as it may deem best in the public interest.

H. If the Contractor furnishes a bond in accordance with the requirements of the Authority under this numbered clause, the Authority shall reimburse the Contractor for the net amount actually paid by him to the surety or sureties as the premium on such bond. The Contractor shall deliver to the Director receipts from the surety or sureties evidencing such payment and the amount thereof. Within fifteen days after receipt of such evidence satisfactory to the Director, the Authority shall pay to the Contractor by check the amount provided in this numbered clause.

I. If at any time the Authority shall be or become dissatisfied with any surety or sureties then upon any bond furnished in accordance with the requirements of the Authority, or if for any other reason such bond shall cease to be adequate security to the Authority, the Contractor shall, within five days after notice from the Authority so to do, substitute a new bond in such form and sum and signed by such other sureties as may be necessary in the opinion of the Authority to constitute adequate security.

8. RECORDS AND REPORTS

The Contractor shall set up, keep and maintain (and shall cause its subcontractors to set up, keep and maintain) in accordance with generally accepted accounting practice during the term of this Agreement and any extensions thereof and for three years after the expiration, termination or revocation thereof, records, payroll records and books of account (including, but not limited to, records of original entry and daily forms, payroll runs, cancelled checks, time records, union agreements, contracts with health, pension and other third party benefit providers) recording all transactions of the Contractor(and its subcontractors), at, through or in any way connected with or related to the operations of the Contractor (and its subcontractors) hereunder, including but not limited to all matters relating to the charges payable to the Contractor hereunder, all wages and supplemental benefits paid or provided to or for its employees (and its subcontractors' employees) and such additional information as the Authority may from time to time and at any time require, and also including, if appropriate, recording the actual number of hours of service provided under the Contract, and keeping separate records thereof which records and books of account shall be kept at all times within the Port District. The Contractor shall permit (and cause its subcontractors to permit) in ordinary business hours during the term of this Agreement including any extensions thereof and for three years thereafter the examination and audit by the officers, employees and representatives of the Port Authority of such records and books of account and also any records and books of account of any company which is owned or controlled by the Contractor, or which owns or controls the Contractor if said company performs services similar to those performed by the Contractor anywhere in the Port District. However, if within the aforesaid three year period the Authority has notified the Contractor in writing of a pending claim by the Authority under or in connection with this Contract to which any of the aforesaid records and documents of the Contractor or of its subcontractors relate either directly or indirectly, then the period of such right of access shall be extended to the expiration of six years from the date of final payment with respect to the records and documents involved.

Upon request of the Authority, the Contractor shall furnish or provide access to the federal Form I-9 (Employment Eligibility Verification) for each individual performing work under this Contract. This includes citizens and noncitizens.

The Contractor (and its subcontractors) shall, at its own expense, install, maintain and use such equipment and devices for recording the labor hours of the service as shall be appropriate to its business and necessary or desirable to keep accurate records of the same and as the general manager or the Site/Facility Superintendent/Manager may from time to time require, and the Contractor (and its subcontractors) shall at all reasonable times allow inspection by the agents and employees of the Authority of all such equipment or devices.

a. The Contractor hereby further agrees to furnish to the Authority from time to time such written reports in connection

with its operations hereunder as the Authority may deem necessary or desirable. The format of all forms, schedules and reports furnished by the Contractor to the Authority shall be subject to the continuing approval of the Authority.

b. No provision in this Contract giving the Authority a right of access to records and documents is intended to impair or affect any right of access to records and documents which it would have in the absence of such provision. Additional record keeping may be required under other sections of this Contract.

[No further text on this page.]

CHAPTER II
ADJUSTMENTS AND PAYMENTS

9. ADJUSTMENTS OF LUMP SUM

A. If any Work required by the Contract Drawings and Specifications in their present form shall be countermanded or reduced by the Director in his sole discretion, the Director shall have full authority on behalf of both parties to make such adjustment by way of reduction in the Lump Sum as he may in his sole discretion deem equitable and reasonable, and in making such adjustment, no allowance to the Contractor shall be made for anticipated profits.

B. Notwithstanding the foregoing, the Director may, in his sole discretion, elect and shall have authority to agree in writing with the Contractor for adjustments by way of reduction in the Lump Sum in lieu of those for which provision is heretofore made in this numbered clause.

10. COMPENSATION FOR EXTRA WORK

A. The Director shall have authority to agree in writing with the Contractor on behalf of the Authority upon lump sum or other compensation for Extra Work in lieu of the compensation for which provision is hereinafter made in this numbered clause. The amount set forth in any change order shall be the full compensation to Contractor for all Extra Work required regarding the change order, including without limitation all acceleration, delay, loss of efficiency, inconvenience, additional supervision, or any other costs or expenses.

B. If such agreement on compensation is not made, and Extra Work be performed, the Contractor's compensation shall be increased by the following amounts and such amounts only:

1) In the case of Extra Work performed by the Contractor personally, an amount equal to the direct cost in money of the labor and materials required for such Extra Work, plus an amount equal to a reasonable percentage, as determined by the Director, not to exceed fifteen percent (15%), applied to the Director's final estimate of the direct cost in money for labor and materials as required for such Extra Work, plus such rental for equipment (other than small tools) required for such Extra Work as the Director deems reasonable.

2) In the case of Extra Work performed by a subcontractor, an amount equal to the direct cost in money of the labor and materials required for such Extra Work, plus an amount equal to a reasonable percentage, as determined by the Director, not to exceed fifteen percent (15%), applied to the Engineer's final estimate of the direct cost in money for labor and materials for such work, plus such rental for equipment (other than small tools) required for such Extra Work as the Director deems reasonable, plus an amount equal to a reasonable percentage, as determined by the Director , not to exceed five percent (5%) of the sum of the foregoing cost, percentage of cost, and rental. In no case shall the amount of the aggregate markup for the Contractor and all of its Subcontractors at every tier exceed 20.75% of the direct cost of the Extra Work.

C. As used herein:

1) "Labor" means foremen, surveyors, laborers, mechanics and other employees below the rank of superintendent, exclusive of timekeepers, directly employed at the construction site, whether employed by the Contractor or by the subcontractors, subject to the Director's authority to determine what employees of any category are "required for Extra Work" and as to the portion of their time allotted to Extra Work; and "cost of labor" means the wages actually paid to and received by such employees; however, all wages actually paid that are in excess of the prevailing wages in the performance of Extra Work shall be subject, on each occasion, to the initial and continuing approval of the Director's in advance of the performance of such Extra Work; plus a proper proportion of (a) vacation allowances and union dues and assessments which the employer actually pays pursuant to contractual obligation upon the basis of such wages, and (b) taxes actually paid by the employer pursuant to law upon the basis of such wages. "Employees" as used above means only the employees of one employer.

2) "Materials" means temporary and consumable materials as well as permanent materials; and "cost of materials" means the price (including taxes actually paid by the Contractor pursuant to law upon the basis of such materials) for which such materials are sold for cash by the manufacturers or producers thereof, or by regular dealers therein, whether or not such materials are purchased directly from the manufacturer, producer or dealer (or if the Contractor is the manufacturer or producer thereof, the reasonable cost to the Contractor of the manufacture and production), plus the reasonable cost of delivering such materials to the construction site in the event that the price paid to the manufacturer, producer or dealer does not include delivery and in case of temporary materials, less their salvage value, if any.

3) “Net Cost” shall be the Contractor’s actual cost after deducting permitted cash and trade discounts, rebates, allowances, credits, sales taxes, commissions, and refunds (whether or not any or all of the same shall have been taken by the Contractor) of all parts and materials purchased by the Contractor solely the use in performing its obligation hereunder provide, such purchase has received the prior written approval of the Director as required herein. The Contractor shall promptly furnish to the Director such bills of sale and other instruments as may be required by it, executed, acknowledged and delivered assuring to it title to such materials, supplies, equipment, parts and tools free of encumbrances.

4) "Work day" in reference to an item of equipment means a day other than a Saturday, Sunday or legal holiday except that if the particular item of equipment is actually utilized at the construction site by the Contractor or subcontractors under this or any other Contract with the Authority on a Saturday, Sunday or legal holiday said day shall be deemed a work day.

D. The rental for equipment, whether owned by the Contractor or subcontractors or rented from others and notwithstanding the actual price of any rental or actual costs associated with such equipment, shall be computed by the Director on the basis of the following:

1)

a. Hourly rental for those items of equipment listed in the "Rental Rate Blue Book" (published by Machinery Information Division, K-III Directory Corporation, 1735 Technology Drive, Suite 410, San Jose, California 95131-2398), (hereinafter called "the Blue Book") shall be 100% of the applicable rates as listed in said book, reduced to an hourly basis (see formula below) except that such applicable rates shall be reduced by 50% for all hours of rental payable hereunder in excess of 8 hours each day. The edition of this publication to be used shall be the one in effect on the date of the actual rental of the equipment. The "Estimated Operating Cost per Hour" as set forth for such item of equipment in the Blue Book shall be added to the hourly rental for each hour that such equipment is actually engaged in performing Extra Work. No amount for operating cost will be allowed during periods when such equipment is not actually engaged in performing Extra Work (i.e. standby rental time). None of the provisions of the Blue Book shall be deemed referred to or included in this Contract except as specifically set forth in this Section.

b. If no listing of rental rate and/or hourly operating cost for the item of equipment is in the Blue Book, the Director shall determine the reasonable rate of rental and/or hourly operating cost of the particular item of equipment by such other means as he finds appropriate.

c. In the event the Contractor is directed by the Director to immediately perform Extra Work within 24 hours of the direction to proceed, the Director shall determine the reasonable rate of rental and/or hourly operating cost of the items of equipment necessary to perform such Extra Work by such means as he finds appropriate. However, if the equipment is owned by the Contractor or owned by a subsidiary of the Contractor, the Blue Book rates will apply as set forth in this clause.

2) When utilizing the rental rates appearing in the Blue Book, the Director shall determine the applicable rate and the hourly rental determined therefrom by applying the following criteria:

a. The rate to be applied for an item of equipment used on a particular Extra Work order shall be the monthly rates from the foregoing publication.

The pro rata portion which one hour bears to the applicable rate shall be determined in accordance with the following formula:

Hourly rate based on monthly rental.	1/176 of monthly rental from Blue Book

b. The rental rate shall be multiplied by the applicable regional adjustment factor shown for such item of equipment in the Blue Book. The adjustment factor shall not apply to the hourly operating cost.
c. If the Director should determine that the nature or size of the equipment used by the Contractor in connection with Extra Work is larger or more elaborate, as the case may be, than the size or nature of the minimum equipment determined by the Director to be suitable for the Extra Work, the reasonable rental will not be based upon the equipment used by the Contractor but will be based on the smallest or least elaborate equipment determined by the Director to have been suitable for the performance of the Extra Work.

3) In the case of equipment utilized only for Extra Work: (a) in addition to amounts determined as provided in subparagraphs A and B above, there will be added to the rental as computed above the reasonable cost of transporting such equipment to and from the construction site, including applicable tolls, and (b) notwithstanding the number of hours during which such equipment is utilized, the minimum rental therefore will be for a period of eight hours.

E. In computing the Contractor's compensation insofar as it is based upon Extra Work, and notwithstanding any provision to the contrary appearing in the Blue Book, no consideration shall be given to any items of cost or expense not expressly set forth above, it being expressly agreed that the costs and percentage additions hereinbefore provided cover items of cost and expense to the Contractor of any type whatsoever, including administration, overhead, taxes (other than those enumerated above), clean-up, consumables including gas and oil, drafting (including printing or other reproduction), coordination, field measurements, maintenance, repairs, insurance, profit to the Contractor and small tools.

F. Whenever any Extra Work is performed (whether by the Contractor directly or through a subcontractor), the Contractor shall, at the end of each day, submit (a) daily time slips showing the name and number of each workman employed on such Work, the number of hours which s/he is employed thereon, the character of his/her duties, and the wages to be paid to him, (b) a memorandum showing the state and federal taxes based on such wages, and vacation allowances and union dues and assessments which the employer actually pays pursuant to contractual obligation upon the basis of such wages (c) a memorandum showing the amount and character of the materials furnished for such Work, from whom they were purchased and the amount to be paid therefor, and (d) a memorandum of equipment used in the performance of such Work, listing the actual hours of operation for each piece of equipment, together with the rental claimed therefor. Such memoranda and time slips are for the purpose of enabling the Director to determine the amounts to be paid by the Authority under this numbered clause; and accordingly, they shall constitute a condition precedent to such payment and the failure of the Contractor or its subcontractors to furnish with respect to any Work shall constitute a conclusive and binding determination on its part that such Work is not Extra Work and shall constitute a waiver by the Contractor of claims for payment for such Work.

G. The Contractor’s compensation for Extra Work shall be subject to audit review by the Authority. The Authority will notify the Contractor that an audit review will be conducted no later than 90 days from the date of such notification. The Authority will also provide the Contractor with an estimated duration of the audit. During the audit review, the Contractor shall provide records to substantiate the memorandum and time slips submitted to the Authority. Failure to provide such Contractor or subcontractor records may result in a reduction or total denial of material, equipment and labor costs for Extra Work.

H. Upon completion of the audit review, the Contractor will be provided with the audit findings of the Authority. If the Contractor disagrees in whole or in part with the audit findings, the Contractor shall notify the Authority of such disagreement in writing within 30 days of receipt of said audit findings or the Authority will deem the audit findings to be final and acceptable to the Contractor. In the event that the Director and the Contractor shall agree in writing upon a lump sum or other compensation for Extra Work in lieu of compensation as provided in the second paragraph of this clause, the daily time slips and memoranda required by this paragraph shall not be required subsequent to the date on which such agreement has been reached.

11. COMPENSATION FOR PREMIUM TIME

A. Where the Authority directs that the Contractor perform Work at times other than those elsewhere specified in the Contract, and the Contractor directly or through a subcontractor is obligated by the provisions of its applicable collective bargaining agreement to pay premium time rates for such Work then, the Contractor shall be compensated for the cost differential between regular time rates and premium time rates at an amount equal to the total of the following:

1) For premium time rates paid by the Contractor to its own forces, an amount equal to the premium time portion of the salaries and wages which the employer is required to pay and actually pays to its employees pursuant to the terms of its applicable collective bargaining agreement for the overtime period or periods described above, plus a proper proportion, if any, computed upon the basis of premium time salaries and wages of (1) taxes actually paid by the employer pursuant to law, (2) vacation allowances, other fringe benefits and union dues and assessments which the employer actually pays pursuant to contractual obligations, and (3) increased premiums paid by the Contractor personally, specifically allocable to the insurance required by this Contract, plus an amount not to exceed five per cent (5%) of such premium portion.

2) For premium time rates paid by a subcontractor, an amount equal to the premium time portion of the salaries and wages which the employer is required to pay and actually pays to its employees pursuant to the terms of its applicable collective bargaining agreement for the overtime period or periods described above, plus a proper proportion, if any, computed upon the basis of premium time salaries and wages of (1) taxes actually paid by the employer pursuant to law, (2) vacation allowances, other fringe benefits and union dues and assessments which the employer actually pays pursuant to contractual obligations, and (3) increased premiums paid by a subcontractor, specifically allocable to the insurance required by this Contract, plus an amount not to exceed five per cent (5%) of such premium portion, plus an amount not to exceed two per cent (2%) of the foregoing cost.

B. All additions to the Contractor's compensation provided for in this clause require the prior written approval of the Director and are conditioned on the Contractor's verifiable by the Authority payment of such amounts to its subcontractor.

C. The additions to the Contractor’s compensation provided in this clause shall not apply where the Authority directs the Contractor to perform work at times other than those specified elsewhere in the Contract and also determines that such work is required to mitigate previous delays in the Contractor’s performance of Work or other problems caused by the Contractor, its Subcontractors or others for whom the Contractor is legally responsible.

12. COMPENSATION FOR EMERGENCY DELAYS

A. If the Contractor is specifically directed by the Authority to suspend its operations as stipulated in the Specifications entitled "Conditions and Precautions" or if the Contractor is specifically directed not to start its operations at a time when operations are permitted to start as stipulated in such Section, and if solely because of such suspension or direction not to start any of the Contractor's or subcontractor's employees or equipment then engaged in or about to start such Work are necessarily kept idle at the construction site, during the hours when they would otherwise be engaged in the performance of the Work, then the Contractor's compensation shall be increased by an amount equal to the salaries and wages in amounts approved by the Director which the employer is required to pay and actually pays to such employees for the period or periods of such idleness, plus a proper proportion of (a) taxes actually paid by the employer pursuant to law upon the basis of such salaries and wages, and (b) vacation allowances and union dues and assessments which the employer actually pays pursuant to contractual obligations upon the basis of such salaries and wages, and in addition thereto such rental as the Director deems reasonable for such equipment during the period or periods of such idleness. The rental for idle equipment shall be computed by the Director in accordance with the provisions of the clause of the Form of Contract entitled "Idle Salaried Men and Equipment".

B. In the event that the Contractor deems that any payment should be made pursuant to this numbered clause, he shall give prompt written notice to the Authority stating the reasons why he believes such payments should be made and shall moreover, furnish to the Authority at the end of each day a memorandum showing the name, payroll title, salary rate and employer of each of the workingmen, and description, owner and claimed rental rate for each item of equipment claimed to have been kept idle. Said notice and memorandum are for the purpose of enabling the Authority to verify the Contractor's claim at the time. Accordingly, notwithstanding any other provisions hereof, the failure of the Contractor to furnish such notice and memorandum shall constitute a conclusive binding determination on its part that he is not entitled to compensation as provided herein and shall constitute a waiver by the Contractor of all claims for such payment, such notice and memorandum being conditions precedent to payment under this numbered clause.

13. PROGRESS PAYMENTS

A. The Director shall (upon receipt from the Contractor of such information as he may require, including a certification in writing, in such form as may be required pursuant to the clause hereunder entitled "Prevailing Rate of Wage", that he has paid and caused his subcontractors to pay at least the prevailing rate of wage and supplements required by such clause) estimate and certify to the Authority the approximate amount of Work performed and compensation earned by the Contractor up to that time showing separately:

1) The amount of Work (other than Extra Work) performed by the Contractor up to that time and a sum bearing the same proportion to the Lump Sum as the Work performed (other than Extra Work) bears to the Work performed and to be performed (other than Extra Work).
2) The increases, if any, in the Contractor's compensation for which provision is specifically made elsewhere in this Contract.

B. The Contractor shall submit to the Authority an acknowledgment of payment to the date of the last payment, the Authority’s form of partial waiver and release of liens and claims, as well as a statement of any back charges and credits to which the Authority is entitled, a sworn statement of any claim for charges or extras due to the Contractor (such claim not to be valid unless made at the time and in the manner set forth in this Contract). Provided that the Contractor has submitted all such documentation to the Authority , as an aid to the Contractor and to facilitate its performance, the Authority shall, within fifteen days after the receipt of each such monthly certificate, pay to the Contractor by check the sums so certified, minus, however, either ten per cent (10%) of the sum certified pursuant to subparagraph A of this numbered clause or five percent (5%) of the Lump Sum, whichever is less, and minus all prior payments to the Contractor or for its account and minus payments by the Authority to lessors of construction equipment.

C. Within seven days of receipt of any sum attributable to Work performed by a subcontractor or materialman or within such later period as is provided in the subcontract or purchase agreement, the Contractor shall advance to the subcontractor or materialman said sum, less such amount, if any, as the Contractor is authorized to retain under the subcontract or purchase agreement.

D. Notwithstanding the above, the Authority shall have the right, at its sole discretion, to directly pay the subcontractors and material suppliers who perform Work for or furnish materials to the Contractor in connection with the Work of this Contract.

E. Prior to certifying any amount for payment hereunder, the Contractor shall also submit a certification accurately and fully setting forth the total amount due and payable to each subcontractor and supplier for Work performed or materials provided by such subcontractor or supplier in connection with the Work of this Contract as part of its progress payment application. Any payment made by the Authority to a subcontractor or supplier pursuant to the provisions of this numbered clause shall be made in reliance upon such certification and all such payments shall be considered as advances to the Contractor of the compensation payable hereunder. No such payment shall relieve the Contractor of any of its obligations hereunder.

F. Furthermore, within fifteen (15) days of the Contractor's receipt of the Authority acceptance of the Contractor's Proposal, the Contractor shall submit to the Authority a listing of all subcontract and material supply agreements entered into by the Contractor for the performance of Work required by this Contract. Such listing shall include the names and addresses of each such subcontractor and supplier and the amounts payable under each such agreement. As and when any modifications are made to such agreements or any additional subcontracts or supply agreements are entered into, the Contractor shall inform the Authority of such and shall indicate the amounts payable there under.

G. Nothing contained herein shall be deemed to create any additional rights in such subcontractors or suppliers or to alter the rights of the Authority as such are set forth in the clause hereof entitled "Withholding of Payments".

14. RELEASE OF MONIES PREVIOUSLY WITHHELD FROM PROGRESS PAYMENTS UPON RENDITION OF A CERTIFICATE OF SUBSTANTIAL COMPLETION

A. After the rendition of the Certificate of Substantial Completion and with the approval of the Authority, an amount up to 80% of the total amount of monies withheld from the Contractor's progress payments in accordance with the preceding clause may be released to the Contractor. If, in the Authority's judgment, no monies, or less than 80% of the total amount of monies withheld should be released it will be based on, but not limited to, the estimated value of the remaining Work, unresolved claims by subcontractors, the estimate of possible audit adjustments and an assessment of the risks to the Authority in making such a release of monies. This clause does not create a right to such a release of monies or to any specific percentage release, all of which shall remain purely the discretionary decision of the Authority.

B. Prior to the release of any amount withheld from the Contractor's progress payments by the Authority, the Contractor shall submit to the Authority a certification of all unresolved requests for additional compensation including all items in dispute and potential claims which the Contractor had actual knowledge of or by reasonable inspection and inquiry should have known of, to the date of the certification. Any such items not made known to the Authority by inclusion in the certification of additional compensation requests submitted by the Contractor will be deemed to have been released by the Contractor. Notwithstanding the above provisions, before making any release of monies the Authority may require the Contractor to submit further information for the Authority's review and analysis, and shall require the Contractor to execute a separate written release of claims as described above in a form acceptable to the Authority.

C. Nothing contained herein shall be deemed to alter or diminish the rights of the Authority as such are set forth in the clauses hereof entitled "Withholding of Payments", "Final Payment", "Progress Payments" or under any other clause of this Contract relating to compensation to the Contractor, any release of monies hereunder being purely at the discretion of the Authority.

15. FINAL PAYMENT

A. After the rendition of the Certificate of Final Completion and upon receipt from the Contractor of such information as may be required, including without limitation, (i) all Contractor's "as built" drawings, copies of all test data, records and related data; (ii) final surveys, operation and maintenance manuals, all guaranties and warranties to which the Authority is entitled hereunder or elsewhere in the Contract Documents; (iii) all permits, licenses, approvals, certificates and authorizations required by any authority having jurisdiction; (iv) a general release from the Contractor on the Authority's form in favor of the Authority; (v) final releases and waivers of lien from all subcontractors, vendors and union fringe benefit funds; (vi) consent of surety to final payment; and (vii) proof satisfactory to Authority that all claims, including taxes, regarding the Work performed hereunder and any liens filed or recorded regarding the Work, have been released., the Director shall certify in writing to the Authority and to the Contractor the total compensation earned by the Contractor. As a condition precedent to certification by Director, the Contractor shall deliver to Authority all spare material, finishing materials, "attic stock," and equipment required to be furnished under the Contract.

B. The Contractor shall (i) certify to the Authority in writing, in such form as may be required pursuant to the clause hereunder entitled "Prevailing Rate of Wage", that he has paid and caused its subcontractors to pay at least the prevailing rate of wage and supplements required by such clause and (ii) furnish to the Authority a detailed sworn statement of all claims, just and unjust, of subcontractors, materialmen and other third persons then outstanding and which he has reason to believe may thereafter be made on account of the Work.

C. Within thirty days after issuance of such certificate of total compensation earned (or within thirty days after receipt of the documents provided for in the immediately preceding paragraph, if required), the Authority pay to the Contractor from the Authority's funds by check the amount stated in said certificate, less all other payments and advances whatsoever to or for the account of the Contractor. All prior estimates and payments shall be subject to correction in this payment, which is throughout this Contract called the Final Payment. as agent of Authority, to advance to the Contractor from the Authority's funds

D. The acceptance by the Contractor, or by anyone claiming by or through him, of Final Payment shall be and shall operate as a release to the Authority of all claims and of all liability to the Contractor for all things done or furnished in connection with the Contract and for every act and neglect of the Authority and others relating to or arising out of the Contract, including claims arising out of breach of contract and claims based on claims of third persons, excepting only its claims for reimbursement for certain sales taxes as hereinbefore provided. No payment, however, final or otherwise, shall operate to release the Contractor or its sureties from any obligations in connection with this Contract or the Performance or Payment Bonds.

E. The Contractor's agreement as provided in the immediately preceding paragraph above shall be deemed to be based upon the consideration forming part of this Contract as a whole and not to be gratuitous; but in any event even if deemed gratuitous and without consideration, such agreement as provided in the immediately preceding paragraph above shall nevertheless be effective.

F. Such release shall include all claims, whether or not in litigation and even though still under consideration by the Authority.

G. Such release shall be effective notwithstanding any purported reservation of right by the Contractor to preserve such claim. The acceptance of any check designated as "Final Payment" or bearing any similar designation shall be conclusively presumed to demonstrate the intent of the Contractor that such payment was intended to be accepted as final, with the consequences provided in this numbered clause, notwithstanding any purported reservation of rights.

H. The Contractor agrees that he shall not be entitled to, and hereby waives any right he might otherwise have to, and shall not seek any judgment whether under this Contract or otherwise for any such Final Payment or for an amount equivalent thereto or based thereon, or for any part thereof, if such judgment would have the effect of varying,

setting aside, disregarding or making inapplicable the terms of this numbered clause or have the effect in any way of entitling the Contractor to accept such Final Payment or an amount equivalent thereto or based thereon or any part thereof other than in the same fashion as a voluntary acceptance of a Final Payment subject to all the terms of this Contract including this numbered clause, unless and until the Contractor should obtain a judgment on any claim arising out of or in connection with this Contract (including a claim based on breach of contract) for an amount not included in said Final Payment. In any case in which interest is allowable on the amount of the Final Payment, such interest shall be at the rate of 6% per annum for the period, if any, in which such interest is due.

16. WITHHOLDING OF PAYMENTS

A. If (1) the Contractor fails to perform any of its obligations under this Contract or any other agreement between the Authority and the Contractor (including its obligation to the Authority to pay any claim lawfully made against him by any materialman, subcontractor or workman or other person which arises out of or in connection with the performance of this Contract or any other agreement with the Authority) or (2) any claim (just or unjust) which arises out of or in connection with this Contract or any other agreement between the Authority and the Contractor is made against the Authority or its agent or (3) any subcontractor under this Contract or any other agreement between the Authority and the Contractor fails to pay any claims lawfully made against him by any materialman, subcontractor, workman or other third person which arises out of or in connection with this Contract or any other agreement between the Authority and the Contractor or if in the opinion of the Authority any of the aforesaid contingencies is likely to arise, then the Authority shall have the right, in its discretion, to withhold out of any payment (final or otherwise and even though such payment has already been certified as due) such sums as the Director may deem ample to protect it against delay or loss or to assure the payment of just claims of third persons, and to apply such sums in such manner as the Director may deem proper to secure such protection or satisfy such claims. All sums so applied shall be deducted from the Contractor's compensation. Omission by the Authority to withhold out of any payment, final or otherwise, a sum for any of the above contingencies, even though such contingency has occurred at the time of such payment, shall not be deemed to indicate that the Authority does not intend to exercise its right with respect to such contingency. Neither the above provisions for rights of the Authority to withhold and apply monies nor any exercise or attempted exercise of, or omission to exercise, such rights by the Authority shall create any obligation of any kind to such materialmen, subcontractors, workmen or other third persons.

B. Until actual payment to the Contractor, its right to any amount to be paid under this Contract (even though such amount has already been certified as due) shall be subordinate to the rights of the Authority under this numbered clause.

C. In the event that wages and/or supplements have been paid in an amount less than as required by this Contract, the Authority shall also have the right to withhold from the Contractor out of any payment, final or otherwise, on this, or any other open contract that the Contractor has with the Authority, so much as may be necessary to pay to laborers, mechanics, architects, draftsmen, engineers and technical workers, and others employed on the Work, the difference between the sums such persons should have received as wages and/or supplements and the amounts they actually received, and to pay such sums over to such persons. All such payments shall be deemed to be payments for the Contractor's account. In addition, the Contractor shall be required to pay to the Authority an amount equal to the Authority's cost of any investigation conducted by or on behalf of the Authority, that discovers a failure to pay wages and/or supplements as required by this Contract by the Contractor or its subcontractors, the cost of such investigation to be determined by the Director personally. If the Contractor fails or refuses to pay for the cost of any such investigation after demand by the Authority, the Authority may deduct from any amount payable to the Contractor by the Authority, under the Contract or under any other open contract between the Contractor and the Authority, an amount equal to the cost of such investigation.

D. If, however, the payment of any amount due to the Contractor shall be improperly delayed by the fault of the Authority, the Authority shall pay the Contractor interest thereon at the rate of six percent (6%) per annum for the period of delay, it being agreed that such interest shall be in lieu of and in liquidation of any damages to the Contractor because of such delay.

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CHAPTER III
PROVISIONS RELATING TO TIME

17. TIME FOR COMPLETION AND DAMAGES FOR DELAY

A. The Contractor's obligations for the performance and completion of the Work within the time or times provided for in this Contract are of the essence of this Contract. In the event that the Contractor fails to satisfactorily perform all or any part of the Work required hereunder in accordance with the requirements set forth hereunder (as the same may be modified in accordance with provisions set forth elsewhere herein) then, inasmuch as the damage and loss to the Port Authority for such failure to perform includes items of loss whose amount will be incapable or very difficult of accurate estimation, the damages for such failure to perform shall be liquidated as set forth below.

B. The Contractor shall complete the performance of all Work under this Contract as defined in Part V.

C. The Contractor shall commence the Work in accordance with the written Notice to Proceed from Authority and shall diligently and continuously prosecute and complete the Work and coordinate the Work with the other work being performed on the Project, in accordance with the Project Schedules as may be issued from time to time during the performance of the Work and any other scheduling requirements listed in this Contract, so as not to delay, impede, obstruct, hinder or interfere with the commencement, progress or completion of the whole or any part of the Work or other work on the Project.

D. Even though the Contractor has received a Notice to Proceed, the Contractor shall not commence the performance of the Work until the later of the following dates:

1) The date of receipt by him of notice from the Authority that the Performance and Payment Bond furnished by him is satisfactory;
2) The date of receipt by him of notice from the Authority that the insurance procured by him pursuant to said clause is satisfactory, as evidenced by the certificate to be furnished in accordance with said clause.

E. The time for completion shall not be extended on account of the time required to furnish the documents referred to in subparagraphs D1 and D2 above, but the Authority will give notice to the Contractor within ten days after receipt of the Performance and Payment Bonds or certificate of insurance as to whether or not such bonds or insurance is satisfactory.

F. The Contractor recognizes that the Work under this Contract is part of a program of construction, including the work of many others, to renovate and develop the Project, which is situated in an existing structure with dated and connected installations and concealed conditions that may affect the Work. Given the complexity of the Project, the nature of the Site, and high quality of the work required of all entities, among other factors, the Contractor agrees to afford the Authority the discretion to modify the Project Schedule without any increase to the Contract Price, consistent with the prompt and cost-efficient completion of the entire Project as determined by the Authority and consistent with the Contract Documents, but subject, however, to all of the aforementioned conditions and considerations that may or will affect the progress of the Work.

G. The Contractor's obligations for the performance and completion of the Work within the times provided for in this Contract are of the essence of this Contract. The Contractor guarantees that he can and will complete the performance of the Work within the times hereinbefore stipulated, or within the later time or times if extended in accordance with the provisions of the Clause of the Contract entitled "Extensions of Time". Inasmuch as the damage and loss to the Authority which will result from delay in completing the performance of the Work within the times herein stipulated will include items of loss whose amount will be incapable or very difficult of accurate estimation, the damages to the Authority for each calendar day by or in which the Contractor does not complete the performance of the Work within the times stipulated or within such times as extended in accordance with the provisions of the Clause of the Contract entitled "Extensions of Time" may be liquidated and if so in the amount of $500.00. Any such liquidated damages shall be cumulative and are not the sole remedy for delays.

H. Inasmuch as the completion of the Project within the prescribed limit of time is dependent largely upon the close and active cooperation of all those engaged therein, it is therefore expressly understood and agreed that the Contractor shall lay out and install all work at such time or times and in such manner as not to delay or interfere with the carrying forward of the work of other contractors. In the event of any dispute arising as to possible or alleged interference between the various contractors which may retard the progress of the work, the dispute shall be adjudicated by the Director, whose decision as to the party or parties at fault and as to the manner in which the matter may be adjudicated, shall be binding and conclusive on all parties.

18. EXTENSIONS OF TIME

A. The time above provided for completion of any part of the Contract shall be extended (subject, however, to the provisions of this numbered clause) only if in the opinion of the Director the Contractor is necessarily delayed in completing such part by such time solely and directly by a cause which meets all the following conditions:

1) Such cause is beyond the Contractor's control and arises without its fault.
2) Such cause comes into existence after the opening of Proposals on this Contract and neither was nor could have been anticipated by investigation before such opening.

B. There will be no Extensions of Time granted to the extent the Contractor is deemed responsible for a concurrent delay.

C. Variations in temperature and precipitation shall be conclusively deemed to have been anticipated before opening of such Proposals on this Contract except to the extent that the actual monthly average temperature varies from a temperature which is 10 per cent (10%) above or below the monthly normal temperature and except to the extent that the actual number of days of precipitation (of 0.1 inch or more) per month exceeds a number equal to two plus the normal number of days of precipitation per month.

D. In any case, the variations in temperature and precipitation described in the immediately preceding sentence will be cause for an extension of time only if occurring between the actual time of commencement of the Work at the construction site and the time for completion stipulated in the clause hereof entitled "Time for Completion and Damages for Delay" (or such time as extended as provided for herein). In the case of portions of months the number of days will be pro-rated by the Director. Temperature and precipitation shall be as recorded by the U. S. Weather Bureau in its publications, including that entitled "Local Climatological Data with Comparative Data", which is applicable to the area in which the Work is to be performed, and in the case of precipitation, the normal number of days of precipitation (of 0.1 inch or more) per month as abstracted from the aforementioned publications are as follows:

Month	Normal number of days per month on which precipitation exceeds 0.1 inch
January	7
February	7
March	8
April	7
May	6
June	6
July	5
August	7
September	6
October	6
November	7
December	7

E. In any event, even though a cause of delay meets all the above conditions, an extension shall be granted only to the extent that (i) the performance of the Work is actually and necessarily delayed and (ii) the effect of such cause cannot be anticipated and avoided or mitigated by the exercise of all reasonable precautions, efforts and measures (including planning, scheduling and rescheduling), whether before or after the occurrence of the cause of delay, and an extension shall not be granted for a cause of delay which would not have affected the performance of the Contract were it not for the fault of the Contractor or for other delay for which the Contractor is not entitled to an extension of time.

F. Any reference herein to the Contractor shall be deemed to include its subcontractors and materialmen, whether or not in privity of contract with the Contractor, and employees and others performing any part of the Contract and all the foregoing shall be considered as agents of the Contractor.

G. Delays shall not automatically result in an extension of the time inasmuch as a delay may not necessarily affect existing critical activities or cause non-critical activities to become critical. The period of any extension of time shall be granted only to the extent that the time adjustments to the activity or activities affected by the delays extends the critical path, it being understood and agreed that any float in the Project Schedule is for the use of either party, for the benefit of the Project as determined by the Director. The Director may defer all or part of his decision on an extension and any extension may be rescinded or shortened if it subsequently is found that the delays can be overcome or reduced by the exercise of reasonable precautions, efforts and measures.

H. As a condition precedent to an extension of time, the Contractor shall give written notice to the Authority within 48 hours after the time when he knows or should know of any cause which might under any circumstances result in delay for which he claims or may claim an extension of time (including those causes which the Authority is responsible for or has knowledge of), specifically stating that an extension is or may be claimed, identifying such cause and describing, as fully as practicable at the time, the nature and expected duration of the delay and its effect on the various portions of the Contract. Since the possible necessity for an extension of time may materially alter the scheduling, plans and other actions of the Authority, and since, with sufficient opportunity, the Authority might if it so elects attempt to mitigate the effect of a delay for which an extension of time might be claimed, and since merely oral notice may cause disputes as to the existence or substance thereof, the giving of written notice as above required shall be of the essence of the Contractor's obligations and failure of the Contractor to give timely written notice as above required shall be a conclusive waiver of an extension of time.

I. It shall in all cases be presumed that no extension, or further extension, of time is due unless the Contractor shall affirmatively demonstrate to the satisfaction of the Authority that it is. To this end the Contractor shall maintain adequate records supporting any claim for an extension of time, and in the absence of such records, the foregoing presumption shall be deemed conclusive.

19. IDLE HOURLY EMPLOYEES AND EQUIPMENT

A. If any hourly employee or equipment of the Contractor or any subcontractor are necessarily kept continuously idle and wholly unoccupied at the construction site for a full day on each of two or more full days on which they would be engaged in the performance of the Work but for causes due solely to acts or omissions of the Authority or the Director occurring after the opening of Proposals on this Contract, and if such idleness is not due to any cause within the control of the Contractor or of any of its subcontractors or materialmen or its or their employees, then the Authority shall pay to the Contractor and the Contractor shall accept (in addition to any sums otherwise payable under this Contract, and in full satisfaction of and in liquidation of all claims for damages because of such act or omission of the Authority or the Director) an amount equal to that which the employer actually pays such hourly employees during such full days of idleness, plus a proper proportion of vacation allowances and union dues and assessments actually paid by the employer pursuant to contractual obligations on the basis of such salaries, and a proper proportion of the taxes actually paid by the employer pursuant to law upon the basis of such salaries and plus such rental for such idle equipment as the Director deems reasonable. The rental for idle equipment shall be computed by the Authority in accordance with the provisions of the clause of the Form of Contract entitled "Compensation for Extra Work"; provided, however, that the amount not to exceed five percent (5%) of the rental to

be paid in accordance with said clause in the case of equipment utilized by subcontractors shall not be payable in connection with such idle equipment; and provided further that the provisions of subparagraph C of said clause shall not be applicable to such idle equipment.

B. The Contractor shall give written notice to the Authority before the end of the second of the above mentioned two or more full days (whether or not the Authority is aware of the existence of any circumstances which might constitute a basis for payment under this numbered clause), specifically stating that hourly men or equipment have been kept idle under circumstances which might result in payment under this numbered clause; and he shall furnish with such notice, for all the days that have occurred, and shall in addition furnish at the end of each additional day of the above mentioned two or more full days, (a) a memorandum showing the name, payroll title, salary rate and employer of each of the salaried men claimed to have been kept idle at the construction site, and taxes based upon their salaries and the holiday and vacation allowances and union dues and assessments which the employer must actually pay pursuant to contractual obligations based on their salaries, and (b) a memorandum of the equipment claimed to be kept idle, together with the amount claimed as rental therefor. Said notice and memoranda are for the purpose of enabling the Authority to verify the Contractor's claim at the time, and of enabling him to take such steps as may be necessary to remedy the conditions upon which the claim is based. The furnishing of such notice and memoranda shall be a condition precedent to payment under this numbered clause, so that the day on which notice is given shall be counted as not later than the second of the above mentioned two or more full days and no subsequent day shall be counted for which the above memoranda are not furnished at the end of such day.

20. DELAYS TO CONTRACTOR

A. As between the Contractor and the Authority, the Contractor assumes the risk of all suspensions of or delays in performance of the Contract, regardless of the length thereof, arising from all causes whatsoever, whether or not relating to this Contract, including wrongful acts or omissions of the Authority, their respective officers, agents, employees and contractors, except only to the extent, if any, that compensation or an extension of time may be due as expressly provided for elsewhere in this Contract for such suspension or delays and except to the extent, if any, that compensation may be agreed to by the Authority in writing pursuant to the clause hereof entitled "Compensation for Extra Work" for impact costs incurred by the Contractor in connection with the performance of Extra Work. Subject only to such exceptions, the Contractor shall bear the burden of all costs, expenses and liabilities which he may incur in connection with such suspensions or delays, and all such suspensions, delays, costs, expenses and liabilities of any nature whatsoever, whether or not provided for in this Contract, shall conclusively be deemed to have been within the contemplation of the parties.

B. Notwithstanding any provisions of this Contract, whether relating to time of performance or otherwise, the Authority makes no representation or guaranty as to when the construction site or any part thereof will be available for the performance of the Contract or as to whether conditions at the construction site will be such as to permit the Contract to be performed thereon without interruption or by any particular sequence or method or as to whether the performance of the Contract can be completed by the time required under this Contract or by any other time.

C. Wherever in connection with this Contract it is required, expressly or otherwise, that the Authority shall perform any act relating to the Contract, including making available or furnishing any real property, materials, or other things, no guaranty is made by the Authority as to the time of such performance and the delay of the Authority in fulfilling such requirement shall not result in liability of any kind on the part of the Authority except only to the extent, if any, that an extension of time or compensation may be due as expressly provided for elsewhere in this Contract.

21. CANCELLATION FOR DELAY

If the performance of the Contract or any portion of it shall, in the opinion of the Authority, be materially delayed, whether or not through the fault of the Contractor, by any cause which affects the Contractor's ability to perform the Contract without affecting to the same degree the Authority's own ability to perform it, either directly or through others, the Authority shall have the right at any time during the existence of such delay to cancel this Contract as to any portion not yet performed, without prejudice to the rights, liabilities and obligations of the parties under this Contract arising out of portions already performed, provided, however, that such right of cancellation shall not exist if the delay be due to any wrongful act or omission of the Authority. In the event of such cancellation, no allowance shall be made for anticipated profits.

39.1 TERMINATION FOR CONVENIENCE

A. The Director may terminate this Contract, in whole or in part, at any time and for any reason by written notice to the Contractor.

B. Upon receipt of the notice of termination, Contractor shall:
   1) Stop Work on the date and to the extent specified in the notice of termination;
   2) Place no further purchase orders or subcontracts for materials, service or facilities except as may be necessary for completion of such portion of the Work as is not terminated;
   3) Unless directed otherwise by the Authority, terminate all purchase orders and subcontracts to the extent that they relate to the performance of Work terminated by the notice of termination;
   4) Assign to Authority, in the manner, at the times, and to the extent directed by Director, all of the right, title and interest of Contractor under the purchase orders and subcontracts so terminated, in which case the Authority shall have the right, in its sole discretion, to settle or pay any or all claims arising out of the termination of such purchase orders and subcontracts;
   5) To the extent required and approved by Authority, settle all outstanding liabilities and all claims arising out of such termination of purchase orders and subcontracts;
   6) Transfer title to Authority and deliver in the manner, at the time, and to the extent, if any, directed by the Authority (i) the fabricated or unfabricated parts, Work in process, completed Work, supplies, and other material produced as a part of, or acquired in connection with the performance of, the Work terminated, and (ii) return to the Authority the completed or partially completed plans, drawings, information, and other property which, if the Work had been completed, would have been required to be furnished;
   7) Use its best efforts to sell, in the manner, at the times, to the extent, and at the price or prices directed or authorized by the Authority, any property of the types referred to in clause (6) above, provided, however, that the Authority (i) shall not be required to extend credit to any purchaser, and (ii) may acquire any such property under the conditions prescribed and at a price or prices approved by Authority; and provided, further, that the proceeds of any such transfer or disposition shall be applied to reduce any payments to be made by Authority to the Contractor or shall otherwise be credited to the price or cost of the Work or paid in such other manner as the Authority may direct;
   8) Complete performance of such part of the Work as shall not have been terminated; and
   9) Take such action as may be necessary, or as Authority may direct, for the protection and preservation of the property related to the Contract which is in the possession of Contractor and in which Authority has or may acquire an interest.

C. The Contractor will be compensated for work performed in accordance with the terms of the contract up to the date of termination. The Contractor will also be compensated for reasonable contract termination costs subject to acceptance and written pre-approval by the Director of such termination costs. In no case shall the Contractor be compensated for anticipated profit, i.e.: profit on work not performed by the Contractor prior to termination. Any Authority property in the Contractor's possession at the time of termination shall be turned over to the Authority or disposed of by the Contractor as the Director directs. If the Authority terminates this Contract for cause and it is ultimately decided by the Director that Contractor should not have been terminated for cause, then such termination shall be treated as a Termination for Convenience pursuant to this section and Contractor’s rights and remedies regarding said termination shall be limited to those set forth in this section.

CHAPTER IV
CONDUCT OF CONTRACT

22. EQUAL EMPLOYMENT OPPORTUNITY, AFFIRMATIVE ACTION, NON DISCRIMINATION

a. The Contractor is advised to ascertain and comply with all applicable federal, State and local statutes, ordinances, rules and regulations and, federal Executive Orders, pertaining to equal employment opportunity, affirmative action, and non-discrimination in employment.

b. Without limiting the generality of any other term or provision of this Contract, in the event of the Contractor's non-compliance with the equal opportunity and non-discrimination clause of this Contract, or with any of such statutes, ordinances, rules, regulations or Orders, this Contract may be cancelled, terminated or suspended in whole or in part.

23. M/WBE GOOD FAITH PARTICIPATION

If specified as applicable to this Contract, the Contractor shall use every good-faith effort to provide for participation by certified Minority Business Enterprises (MBEs) and certified Women-owned Business Enterprises (WBEs) as herein defined, in all purchasing and subcontracting opportunities associated with this Contract, including purchase of equipment, supplies and labor services.

Good Faith efforts to include participation by MBEs/WBEs shall include the following:

a. Dividing the services and materials to be procured into small portions, where feasible.

b. Giving reasonable advance notice of specific contracting, subcontracting and purchasing opportunities to such MBEs/WBEs as may be appropriate.

c. Soliciting services and materials from a Port Authority certified MBE/WBE or seeking MBEs/WBEs from other sources. To access the Port Authority's Directory of MBE/WBE Certified Firms go to www.panynj.gov/supplierdiversty

d. Ensuring that provision is made to provide progress payments to MBEs/WBEs on a timely basis.

e. Observance of reasonable commercial standards of fair dealing in the respective trade or business.

Subsequent to Contract award, all changes to the M/WBE Participation Plan must be submitted via a modified M/WBE Participation Plan to the Manager for review and approval by the Authority's Office of Business Diversity and Civil Rights. For submittal of modifications to the M/WBE Plan, Contractors are directed to use form PA3749C, which may be downloaded at http://www.panynj.gov/business-opportunities/become-vendor.html. The Contractor shall not make changes to its approved M/WBE Participation Plan or substitute M/WBE subcontractors or suppliers for those named in their approved plan without the Manager's prior written approval. Unauthorized changes or substitutions, including performing the work designated for a subcontractor with the Contractor's own forces, shall be a violation of this section. Progress toward attainment of M/WBE participation goals set forth herein will be monitored throughout the duration of this Contract.

The Contractor shall also submit to the Manager, along with invoices, the Statement of Subcontractor Payments as the M/WBE Participation Report, which may be downloaded at http://www.panynj.gov/business-opportunities/become-vendor.html. The Statement must include the name and business address of each M/WBE subcontractor and supplier actually involved in the Contract, a description of the work performed and/or product or service supplied by each such subcontractor or supplier, the date and amount of each expenditure, and such other information that may assist the Manager in determining the Contractor's compliance with the foregoing provisions.

If, during the performance of this Contract, the Contractor fails to demonstrate good faith efforts in carrying out its M/WBE Participation Plan and the Contractor has not requested and been granted a full or partial waiver of the M/WBE participation goals set forth in this Contract, the Authority will take into consideration the Contractor's failure to carry out its M/WBE Participation Plan in its evaluation for award of future Authority contracts.

24. CERTIFICATES OF PARTIAL COMPLETION

A. If at any time prior to the rendition of the Certificate of Final Completion, any portion of the permanent construction has been satisfactorily completed, and if in the judgment of the Director such portion of the permanent construction is not necessary for the operations of the Contractor but will be immediately useful to and is needed by the Authority for other purposes, the Director may render to the Authority and to the Contractor a certificate in writing to that effect (herein called a Certificate of Partial Completion), and thereupon or at any time thereafter the Authority may take over and use the portion of the permanent construction described in such Certificate and exclude the Contractor therefrom.

B. The rendition of a Certificate of Partial Completion shall not be construed to constitute an extension of the Contractor's time to complete the portion of the permanent construction to which it relates in the event that he has failed to complete the same in accordance with the terms of this Contract. Moreover, the acceptance of a Certificate of Partial Completion by the Authority shall not operate to release the Contractor or its sureties from any obligations under or upon this Contract or the Performance and Payment Bonds. Except as provided by this Section, Contractor acknowledges that beneficial occupancy shall not apply to this Contract and Contractor agrees to waive all claims regarding beneficial occupancy.

25. CERTIFICATE OF SUBSTANTIAL COMPLETION

A. Prior to the rendition of the Certificate of Final Completion, the Authority may deem the entire Work to be substantially completed when, in the judgment of the Authority, the permanent construction has been satisfactorily completed to the point where the Work is fit for its intended purpose and use. The Authority may, if such a determination of substantial completion is made and at such time, render to the Authority and to the Contractor a certificate in writing to that effect (herein called the Certificate of Substantial Completion), and thereupon or at any time thereafter the Authority may take over and use the permanent construction described in such Certificate and exclude the Contractor therefrom except for access to complete punch list items. Whether to make a determination of a substantial completion as to any portion of the Work, and whether to render such a Certificate, shall be the discretionary determination of the Authority based upon an examination and appraisal of the completed Work, and no right to such a determination or certification is established in the Contractor by this provision.

B. The rendition of such Certificate of Substantial Completion shall not relieve the Contractor of its obligation hereunder to complete the Work of this Contract nor shall it be construed to constitute an extension of the Contractor’s time to complete the portion of the permanent construction to which it relates in the event that he has failed to complete the same in accordance with the terms of this Contract. Moreover, the acceptance of a Certificate of Substantial Completion by the Authority shall not operate to release the Contractor or its sureties from any obligations under or upon this Contract or the Performance and Payment Bonds.

C. When the Contractor is of the opinion that the Work is substantially complete as described above (except for minor punch list items), the Contractor may submit to the Authority a written request that the Authority inspect the Work so as to determine, in the Authority’s sole opinion, whether substantial completion has been achieved. The Contractor’s written request shall list the specific punch list items of Work that are incomplete. Upon such a request, the Authority will respond within 30 days with a Certificate of Substantial Completion or provide a written explanation of the reasons why the Work is not substantially complete including a list of open items necessary to achieve substantial completion. Nothing contained herein shall be deemed to preclude the Authority from making a determination of substantial completion in the absence of a request therefor by the Contractor.

26. CERTIFICATE OF FINAL COMPLETION

A. After the satisfactory completion of all Work whatsoever required and the making of such tests and inspections as may be necessary or desirable and Contractor's satisfaction of any other requirements for Final Completion under the Contract, the Director shall render to the Authority and to the Contractor a certificate in writing (herein called the Certificate of Final Completion) certifying that in his opinion all Work under this Contract, including Extra Work, has been completed in accordance with the Contract Drawings and Specifications and the requirements of the Director, and certifying the date as of which it was so completed.

B. The rendition of the Certificate of Final Completion shall not be construed to constitute an extension of the Contractor's time for performance in the event that he has failed to complete the Work in accordance with the terms of this Contract. Moreover, the acceptance of the Certificate of Final Completion by the Authority shall not operate to release the Contractor or its sureties from any obligations under or upon this Contract or the Performance and Payment Bonds.

27. CLAIMS OF THIRD PERSONS

The Contractor undertakes to pay all claims lawfully made against it by subcontractors, suppliers and workers, and all claims lawfully made against it by other third persons arising out of or in connection with or because of the performance of this Contract and to cause all subcontractors to pay all such claims lawfully made against them.

28. NO THIRD PARTY RIGHTS

Nothing contained in this Contract is intended for the benefit of third persons, except to the extent that the Contract specifically provides otherwise by use of the words "benefit" or "direct right of action."

29. ASSIGNMENTS AND SUBCONTRACTS

a. The Contractor shall not sell, transfer, mortgage, pledge, subcontract or assign this Contract or any part thereof or any of the rights granted hereunder or any moneys due or to become due to it hereunder or enter into any contract requiring or permitting the doing of anything hereunder by an independent Contractor, without the prior written approval of the Authority, and any such sale, transfer, mortgage, pledge, subcontract, assignment or contract without such prior written approval shall be void as to the Authority.
b. All subcontractors who provide permanent personnel to the Contractor for work under this Contract shall be given written notice to comply with all requirements of the Contract. The Contractor shall be responsible and liable for the performance and acts of each subcontractor.
c. All persons to whom the Contractor sublets services shall be deemed to be its agents and no subletting or approval thereof shall be deemed to release this Contractor from its obligations under this Contract or to impose any obligations on the Authority to such subcontractor or to give the subcontractor any rights against the Authority.

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CHAPTER V
WARRANTIES MADE AND LIABILITY
ASSUMED BY THE CONTRACTOR

30. INSURANCE REQUIREMENTS

A. Commercial Liability Insurance:

1) The Consultant shall take out and maintain at his own expense Commercial General Liability Insurance including but not limited to Premises-Operations, Completed Operations and Independent Contractor coverages in limits of not less than $15,000,000 combined single limit per occurrence for Bodily Injury Liability and Property Damage Liability. And if vehicles are to be used to carry out the performance of this contract, then the Consultant shall also take out, maintain and pay the premiums on Automobile Liability Insurance covering all owned, non-owned and hired autos in not less than $5,000,000 combined single limit per accident for bodily injury and property damage. In addition, the policy (ies) shall include the Authority and its wholly owned entities as an additional insured as per **schedule 1** below and the policy (ies) and **its certificate must be specifically endorsed to contain a provision that the policy may not be canceled, terminated or modified without thirty (30) days written advance notice to the Project Manager as noted below.** Moreover, the Commercial General Liability policy shall not contain any provisions (other than a Professional Liability exclusion, if any) for exclusions from liability other than provisions or exclusions from liability forming part of the most up to date ISO form or its equivalent, unendorsed Commercial General Liability Policy. The liability policy (ies) and certificate of insurance shall contain cross-liability language providing severability of interests so that coverage will respond as if separate policies were in force for each insured. Furthermore, the Contractor's insurance shall be primary insurance as respects to the above additional insured (s), its representatives, officials, and employees. Any insurance or self insurance maintained by the above additional insured (s) shall not contribute to any loss or claim. These insurance requirements shall be in effect for the duration of the contract to include any warrantee/guarantee period.

Further, the certificate of insurance and the liability Policy (ies) shall be specifically endorsed that

" The insurance carrier(s) shall not, without obtaining the express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the Tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority, or the provisions of any statutes respecting suits against the Port Authority"

Also, the certificate of insurance must contain the following waiver of subrogation in favor of all the additional insured entities stipulated in this document:

Notwithstanding the terms of the contract dated _____ (the "Agreement"), between The Port Authority of New York and New Jersey and _____ ("Contractor"), the parties agree to the terms and conditions set forth below in this notice (this "Notice"), which are hereby incorporated in and made a part of the Agreement. For good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereby agree as follows:

To the extent permitted by law, Contractor hereby waives all rights of subrogation against Silverstein Properties Inc., World Trade Center Properties LLC, 2 World Trade Center LLC, 3 World Trade Center LLC, 4 World Trade Center LLC, and their affiliates, subsidiaries, officers, employees and agents, for any and all liability, including but not limited to, actions or claims resulting from personal injury, property damage, or loss of any kind, sustained by the Contractor during the performance of work or services under the Agreement.

2) **Additional Coverages:** The Consultant shall have the policy endorsed when required by the Project Manager for specific services hereunder and include the additional premium cost thereof as an out-of-pocket expense:

(a) Endorsement to eliminate any exclusions applying to the underground property, explosion and collapse hazards.

(b) Endorsement to eliminate any exclusions on account of ownership, maintenance, operation, use, loading or unloading of watercraft.

(c) Coverage for work within 50 feet of railroad

B. Workers' Compensation Insurance:

1) The Consultant shall take out and maintain Workers' Compensation Insurance in accordance with the requirements of law and Employer's Liability Insurance with limits of not less than $1,000,000 each accident

2) Additional Coverages: The Consultant shall have the policy endorsed when required by the Engineer for specific services hereunder and include the additional premium cost thereof as an out-of-pocket expense:

a) United States Longshoremen's and Harbor Workers' Compensation Act Endorsement.

b) Coverage B Endorsement - Maritime (Masters or Members of the Crew of Vessels), in limits of not less than $1,000,000 per occurrence.

c) Amendments to Coverage B, Federal Employers' Liability Act in limits of not less than $1,000,000 per occurrence.

C. Professional Liability Insurance:

1) Not less than $5,000,000 each occurrence, covering acts, errors, mistakes, and omissions arising out of the work or services performed by Consultant, or any person employed by Consultant. All endorsements and exclusions shall be evidenced on the certificate of insurance. The coverage shall be written on an occurrence form or may be written on a claims-made basis with a minimum of a three-year reporting/discovery period.

D. Compliance:

Prior to commencement of work at the site, the Consultant shall deliver a certificate from its insurer evidencing policies of the above insurance stating the title of this Agreement, the P. A. Agreement number and containing a separate express statement of compliance with each of the requirements above set forth, via e-mail to the Project Manager.

1) Renewal certificates of insurance or policies shall be delivered to the Facility Contractor Administrator, Port Authority at least fifteen (15) days prior to the expiration date of each expiring policy. The General Manager, Risk Financing must approve the renewal certificate(s) of insurance before work can resume on the facility. If at any time any of the certificates or policies shall become unsatisfactory to the Port Authority, the Contractor shall promptly obtain a new and satisfactory certificate and policy.

2) If at any time the above liability insurance should be canceled, terminated, or modified so that the insurance is not in effect as above required, then, if the Manager shall so direct, the Contractor shall suspend performance of the contract at the premises. If the contract is so suspended, no extension of time shall be due on account thereof. If the contract is not suspended (whether or not because of omission of the Manager to order suspension), then the Authority may, at its option, obtain insurance affording coverage equal to the above required, the cost of such insurance to be payable by the Contractor to the Port Authority.

3) Upon request of the Manager, Risk Financing/Treasury, the Consultant shall furnish to the Authority a certified copy of each policy itself, including the provisions establishing premiums.

4) The requirements for insurance procured by the Consultant shall not in any way be construed as a limitation on the nature or extent of the contractual obligations assumed by the Consultant under this contract. The insurance

requirements are not a representation by the Authority as to the adequacy of the insurance to protect the Consultant against the obligations imposed on them by law or by this or any other Contract.

Schedule 1 – Indemnitees and Additional Insureds:

a) The Port Authority of New York and New Jersey

b) WTC Retail LLC

c) 1 World Trade Center LLC

d) The Port Authority Trans-Hudson Corporation

e) STV Construction, Inc.

f) NYS Department of Transportation

g) Tishman Construction Corporation

h) Tishman Realty & Construction Co., Inc.

i) Tishman Construction Corporation of New York

j) Silverstein Freedom Tower Development LLC, and its Affiliates

k) 2 World Trade Center LLC

l) 3 World Trade Center LLC

m) 4 World Trade Center LLC

n) World Trade Center Properties LLC

o) 1 WTC Holdings LLC

p) 2 WTC Holdings LLC

q) 3 WTC Holdings LLC

r) 4 WTC Holdings LLC

s) Silverstein Properties, Inc.

t) Silverstein East WTC Facility Manager LLC

u) WTC Redevelopment LLC

v) Silverstein WTC Mgmt. Co. LLC

w) Silverstein WTC Mgmt. Co. II LLC

x) Silverstein WTC Properties LLC

y) Silverstein WTC LLC

z) Silverstein 2/3/4 WTC Redevelopment LLC

aa) Spring World Inc.

bb) Spring WTC Holdings Inc.

cc) WTC Investors LLC

dd) Net Lessees' Association of the World Trade Center

ee) WTC Management and Development LLC

ff) Silverstein WTC Management and Development LLC

gg) WTC Investors Management and Development LLC

hh) Larry A. Silverstein

ii) World Trade Center Hold Co. Ltd

jj) 3 WTC Mezz LLC.

kk) The City of New York

ll) The Lower Manhattan Development Corporation

mm) The World Trade Center Memorial Foundation

nn) Metropolitan Transportation Authority

31. PERSONAL NON-LIABILITY

Neither the Directors, the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee of the Port Authority, shall be charged personally by the Contractor with any liability, or held personally liable to the Contractor under any term or provision of this Agreement, or because of its execution or attempted execution, or because of any breach, or attempted or alleged breach, thereof.

32. WARRANTIES

The Specifications may provide for certain warranties of portions of the Work. These warranties are intended for the greater assurance of the Authority and not as a substitute for rights which the Authority might otherwise have. Although such warranties shall be enforceable as provided, neither any requirement of this Contract with respect to warranties by the Contractor nor any guarantee or warranty given to the Contractor or the Authority by any manufacturer shall be deemed to be a limitation upon any rights which the Authority would have, either expressed or implied, in the absence of such guarantees or warranties.

33. CONTRACTOR'S WARRANTIES

The Contractor represents and warrants:

a. That it is financially solvent, that it is experienced in and competent to perform the requirements of this Contract, that the facts stated or shown in any papers submitted or referred to in connection with the solicitation are true, and, if the Contractor be a corporation, that it is authorized to perform this Contract;
b. That it has carefully examined and analyzed the provisions and requirements of this Contract, and that from its own investigations it has satisfied itself as to the nature of all things needed for the performance of this Contract, the general and local conditions and all other matters which in any way affect this Contract or its performance, and that the time available to it for such examination, analysis, inspection and investigation was adequate;
c. That the Contract is feasible of performance in accordance with all its provisions and requirements and that it can and will perform it in strict accordance with such provisions and requirements;
d. That no Director, officer, agent or employee of the Authority is personally interested directly or indirectly in this Contract or the compensation to be paid hereunder and that no Commissioner, officer, agent or employee of the Port Authority is personally interested directly or indirectly in this Contract or the compensation to be paid hereunder;
e. That, except only for those representations, statements or promises expressly contained in this Contract, no representation, statement or promise, oral or in writing, of any kind whatsoever by the Port Authority, their Directors, Commissioners, officers, agents, employees or consultants has induced the Contractor to enter into this Contract or has been relied upon by the Contractor, including any with reference to: (1) the meaning, correctness, suitability, or completeness of any provisions or requirements of this Contract; (2) the nature, quantity, quality or size of the materials, equipment, labor and other facilities needed for the performance of this Contract; (3) the general or local

conditions which may in any way affect this Contract or its performance; (4) the price of the Contract; or (5) any other matters, whether similar to or different from those referred to in (1) through (4) immediately above, affecting or having any connection with this Contract, the bidding thereon, any discussions thereof, the performance thereof or those employed therein or connected or concerned therewith.

Moreover, the Contractor accepts the conditions at the Site of the Work as they may eventually be found to exist and warrants and represents that it can and will perform the Contract under such conditions and that all materials, equipment, labor and other facilities required because of any unforeseen conditions (physical or otherwise) shall be wholly at its own cost and expense, anything in this Contract to the contrary notwithstanding.

Nothing in the Specifications or any other part of the Contract is intended as or shall constitute a representation by the Authority as to the feasibility of performance of this Contract or any part thereof.

The Contractor further represents and warrants that it was given ample opportunity and time and by means of this paragraph was requested by the Port Authority to review thoroughly all documents forming this Contract prior to opening of Bids on this Contract in order that it might request inclusion in this Contract of any statement, representation, promise or provision which it desired or on which it wished to place reliance; that it did so review said documents, that either every such statement, representation, promise or provision has been included in this Contract or else, if omitted, that it expressly relinquishes the benefit of any such omitted statement, representation, promise or provision and is willing to perform this Contract without claiming reliance thereon or making any other claim on account of such omission.

The Contractor further recognizes that the provisions of this numbered clause (though not only such provisions) are essential to the Authority's consent to enter into this Contract and that without such provisions, the Authority would not have entered into this Contract.

34. INDEMNIFICATION AND RISKS ASSUMED BY THE CONTRACTOR

To the extent permitted by law, the Contractor shall indemnify and hold harmless the Port Authority, its Directors, Commissioners, officers, representatives and employees from and against all claims and demands, just or unjust, of third persons (including Contractor's employees, employees, officers and agents of the Port Authority) arising out of or in any way connected or alleged to arise out of or alleged to be in any way connected with the Contract and all other services and activities of the Contractor under this Contract and for all expenses incurred by it and by them in the defense, settlement or satisfaction thereof, including without limitation thereto, claims and demands for death, for personal injury or for property damage, direct or consequential, whether they arise from the acts or omissions of the Contractor, of the Port Authority, third persons (including Contractor's employees, employees, officers, and agents of the Port Authority), or from the acts of God or the public enemy, or otherwise, including claims and demands of any local jurisdiction against the Port Authority in connection with this Contract.

The Contractor assumes the following risks, whether such risks arise from acts or omissions (negligent or not) of the Contractor, the Port Authority, or third persons (including Contractor's employees, employees, officers, and agents of the Port Authority) or from any other cause, excepting only risks occasioned solely by affirmative willful acts of the Port Authority, as applicable, done subsequent to the opening of proposals on this Contract, and shall to the extent permitted by law indemnify the Port Authority for all loss or damage incurred in connection with such risks:

a. The risk of any and all loss or damage to Port Authority property, equipment (including but not limited to automotive and/or mobile equipment), materials and possessions, on or off the premises, the loss or damage of which shall arise out of the Contractor's operations hereunder. The Contractor shall if so directed by the Port Authority, repair, replace or rebuild to the satisfaction of the Port Authority, as applicable, any and all parts of the premises or the Facility which may be damaged or destroyed by the acts or omissions of the Contractor, its officers, agents, or employees and if the Contractor shall fail so to repair, replace, or rebuild with due diligence the Port Authority, as applicable, may, at its option, perform any of the foregoing work and the Contractor shall pay to the Port Authority as applicable the cost thereof.

b. The risk of any and all loss or damage of the Contractor's property, equipment (including but not limited to automotive and/or mobile equipment) materials and possessions on the Facility.

c. The risk of claim, whether made against the Contractor, the Port Authority, for any and all loss or damages occurring to any property, equipment (including but not limited to automotive and/or mobile equipment), materials and possessions of the Contractor's agents, employees, materialmen and others performing work hereunder.

d. The risk of claims for injuries, damage or loss of any kind just or unjust of third persons arising or alleged to arise out of the performance of work hereunder, whether such claims are made against the Contractor, the Port Authority.

If so directed, the Contractor shall at its own expense defend any suit based upon any such claim or demand, even if such suit, claim or demand is groundless, false or fraudulent, and in handling such shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, their Directors, Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provision of any statutes respecting suits against the Port Authority.

Neither the requirements of the Port Authority under this Contract, nor of the Port Authority of the methods of performance hereunder, nor the failure the Port Authority to call attention to improper or inadequate methods or to require a change in the method of performance hereunder nor the failure the Port Authority to direct the Contractor to take any particular precaution or other action or to refrain from doing any particular thing shall relieve the Contractor of its liability for injuries to persons or damage to property or environmental impairment arising out of its operations.

CHAPTER VI
RIGHTS AND REMEDIES

35. RIGHTS AND REMEDIES OF THE AUTHORITY

The Authority shall have the following rights in the event the Contractor is deemed guilty of a breach of any term whatsoever of this Contract:

a. The right to take over and complete the Work or any part thereof as agent for and at the expense of the Contractor, either directly or through others.

b. The right to cancel this Contract as to any or all of the Work yet to be performed.

c. The right to specific performance, an injunction or any appropriate equitable remedy.

d. The right to money damages.

For the purpose of this Contract, breach shall include but not be limited to the following, whether or not the time has yet arrived for performance of an obligation under this Contract: a statement by the Contractor to any representative of the Authority indicating that the Contractor cannot or will not perform any one or more of its obligations under this Contract; any act or omission of the Contractor or any other occurrence which makes it improbable at the time that it will be able to perform any one or more of its obligations under this Contract; any suspension of or failure to proceed with any part of the Work by the Contractor which makes it improbable at the time that it will be able to perform any one or more of its obligations under this Contract.

The enumeration in this numbered clause or elsewhere in this Contract of specific rights and remedies of the Authority shall not be deemed to limit any other rights or remedies which the Authority would have in the absence of such enumeration; and no exercise by the Authority of any right or remedy shall operate as a waiver of any other of its rights or remedies not inconsistent therewith or to estop it from exercising such other rights or remedies.

36. RIGHTS AND REMEDIES OF THE CONTRACTOR

Inasmuch as the Contractor can be adequately compensated by money damages for any breach of this Contract which may be committed by the Authority, the Contractor expressly agrees that no default, act or omission of the Authority shall constitute a material breach of this Contract, entitling the Contractor to cancel or rescind this Contract or to suspend or abandon performance.

37. NO ESTOPPEL OR WAIVER

The Authority shall not be precluded or estopped by any payment, final or otherwise, issued or made under this Contract, from showing at any time the true amount and character of the services performed, or from showing that any such payment is incorrect or was improperly issued or made; and the Authority shall not be precluded or estopped, notwithstanding any such payment, from recovering from the Contractor any damages which it may sustain by reason of any failure on its part to comply strictly with this Contract, and any moneys which may be paid to it or for its account in excess of those to which it is lawfully entitled.

No cancellation, rescission or annulment hereof, in whole or as to any part of the services to be provided hereunder, or because of any breach hereof, shall be deemed a waiver of any money damages to which the Authority may be entitled because of such breach. Moreover, no waiver by the Authority of any breach of this Contract shall be deemed to be a waiver of any other or any subsequent breach.

CHAPTER VII
MISCELLANEOUS

38. SUBMISSION TO JURISDICTION

The Contractor hereby irrevocably submits itself to the jurisdiction of the Courts of the State of New York in regard to any controversy arising out of, connected with, or in any way concerning this Contract.

The Contractor agrees that the service of process on the Contractor in relation to such jurisdiction may be made, at the option of the Authority, either by registered or certified mail addressed to it at the address of the Contractor indicated on the signature sheet, or by actual personal delivery to the Contractor, if the Contractor is an individual, to any partner if the Contractor be a partnership or to any officer, director or managing or general agent if the Contractor be a corporation.

Such service shall be deemed to be sufficient when jurisdiction would not lie because of the lack of basis to serve process in the manner otherwise provided by law. In any case, however, process may be served as stated above whether or not it might otherwise have been served in a different manner.

39. PROVISIONS OF LAW DEEMED INSERTED

Each and every provision of law and clause required by law to be inserted in this Contract shall be deemed to be inserted herein and the Contract shall be read and enforced as though it were included therein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party, the Contract shall forthwith be physically amended to make such insertion.

40. CONFIDENTIAL INFORMATION/NON-PUBLICATION

a. As used herein, confidential information shall mean all information disclosed to the Contractor or the personnel provided by the Contractor hereunder which relates to the Authority's past, present, and future research, development and business activities including, but not limited to, software and documentation licensed to the Authority or proprietary to the Authority and all associated software, source code procedures and documentation. Confidential information shall also mean any other tangible or intangible information or materials including but not limited to computer identification numbers, access codes, passwords, and reports obtained and/or used during the performance of the Contractor’s Services under this Contract.

b. Confidential information shall also mean and include collectively, as per The Port Authority of New York & New Jersey Information Security Handbook (October 15, 2008, corrected as of November 14, 2013), Protected Information, Confidential Proprietary Information, Confidential Privileged Information and information that is labeled, marked or otherwise identified by or on behalf of the Authority so as to reasonably connote that such information is confidential, privileged, sensitive or proprietary in nature. Confidential Information shall also include all work product that contains or is derived from any of the foregoing, whether in whole or in part, regardless of whether prepared by the Authority or a third-party or when the Authority receives such information from others and agrees to treat such information as Confidential.

c. The Contractor shall hold all such confidential information in trust and confidence for the Authority, and agrees that the Contractor and the personnel provided by the Contractor hereunder shall not, during or after the termination or expiration of this Contract, disclose to any person, firm or corporation, nor use for its own business or benefit, any information obtained by it under or in connection with the supplying of services contemplated by this Contract. The Contractor and the personnel provided by the Contractor hereunder shall not violate in any manner any patent, copyright, trade secret or other proprietary right of the Authority or third persons in connection with their services hereunder, either before or-after termination or expiration of this Contract. The Contractor and the personnel provided by the Contractor hereunder shall not willfully or otherwise perform any dishonest or fraudulent acts, breach any security procedures, or damage or destroy any hardware, software or documentation, proprietary or otherwise, in connection with their services hereunder. The Contractor shall promptly and fully inform the Director in writing of any patent, copyright, trade secret or other intellectual property rights or disputes, whether existing or potential, of which the Contractor has knowledge, relating to any idea, design, method, material, equipment or other matter related to this Contract or coming to the Contractor's attention in connection with this Contract.

d. The Contractor shall not issue nor permit to be issued any press release, advertisement, or literature of any kind, which refers to the Port Authority or to the fact that goods have been, are being or will be provided to it and/or that services have been, are being or will be performed for it in connection with this Agreement, unless the vendor first obtains the written approval of the Port Authority. Such approval may be withheld if for any reason the Port Authority believes that the publication of such information would be harmful to the public interest or is in any way undesirable.

41. INTERACTION WITH THE MEDIA AND PUBLIC

A. The Contractor shall not respond to inquiries from the news media, but shall refer all questions to the Director.

B. The Contractor shall designate a staff person to keep the Director informed of all impacts on the community resulting from construction.

C. If the Contractor receives a complaint from a citizen or the community, it shall immediately inform the Director and advise what action has been taken to alleviate the situation.

D. If the Authority plans to conduct a site tour of the construction area, the Director will coordinate the tour with the Contractor.

42. SITE WIDE PROPERTY MANAGER

The Contractor acknowledges and agrees that the Authority may utilize the services of the Site Wide Property Manager (SWPM), as its designee to manage and oversee the Work, among other things. Although the involvement of the SWPM shall neither relieve the Contractor from its obligations with regard to the involvement of Authority personnel (e.g. the Director, Chief Engineers, etc.) as described in the Contract, nor alter the authority of that personnel as described herein, the Contractor acknowledges and agrees that the Authority may delegate to the SWPM some or all of the responsibility to manage and oversee the Work and to administer the Contractor. Accordingly, the Contractor shall cooperate fully with the SWPM in the SWPM's performance of its services. The Contractor acknowledges and agrees and will, as part of each subcontract, require its subcontractors to acknowledge and agree (i) that the role of the SWPM is to function solely on behalf of and for the benefit of the Authority and (ii) that the Contractors and its subcontractors of all tiers waive all claims, whether in contract, tort or otherwise, they may have against the SWPM.

43. IMMIGRATION AND NATIONALITY ACT

A. The Immigration and Nationality Act as amended by the Immigration Reform and Control Act of 1986 (IRCA) makes it illegal for employers to knowingly hire persons who are not authorized to work in the United States. For all employees, employers are required to complete an Employment Eligibility Verification form I-9 which requires the prospective employee to produce documentation that establishes identity and employment eligibility. For more information visit www.uscis.gov, or speak to your attorney. The Contractor and its subcontractors of all tiers are to be in compliance with federal requirements regarding the use E-Verify, an Internet-based system that allows an employer, using information reported on an employee's Form I-9, to determine the eligibility of that employee to work in the United States. Each Contractor is solely responsible for properly completing Employment Eligibility Verifications for its own employees and for ensuring that its subcontractors of all tiers have a properly completed Form I-9 for each of their employees.

B. Contractor acknowledges, represents and warrants that Contractor is aware of and understands IRCA, that Contractor is in compliance with IRCA, and that Contractor and its subcontractors of all tiers are not knowingly employing workers who are not authorized to work in the United States. Contractor agrees that Contractor and its subcontractors of all tiers will not employ any worker performing work under this Contract for whom Contractor or its subcontractor has not completed and maintained I-9 verification including the use of E-Verify. Contractor agrees that if Contractor acquires knowledge (constructive or otherwise, including receipt of a "no match" letter from Social Security Administration) indicating that one of Contractor's or its subcontractors' workers on this project may not be authorized to work in the United States, despite I-9 verification, that Contractor and its subcontractors will exercise due diligence as required by law to confirm authorization status and take appropriate action which may include termination of employment. Contractor represents and warrants that they will not subcontract to or utilize labor sources that it knows or has reason to know violate IRCA.

44. GENERAL OBLIGATIONS

a. Except where expressly required or permitted herein to be oral, all notices, requests, consents and approvals required to be given to or by either party shall be in writing and all such notices, requests, consents and approvals shall be personally delivered to the other party during regular business hours or forwarded to such party by United States certified mail, return receipt requested, addressed to the other party at its address hereinbefore or hereafter provided. Until further notice the Contractor hereby designates the address shown on the bottom of the Contractors Signature Sheet as their address to which such notices, requests, consents, or approvals may be forwarded. All notices, requests, consents, or approvals of the Contractor shall be forwarded to the Engineer.

b. The Contractor shall pay all taxes, license, certification, permit and examination fees and excises which may be assessed on its property or operations hereunder or income therefrom, and shall make all applications, reports and returns required in connection therewith.

c. The Contractor shall promptly observe, comply with and execute the provisions of any and all present and future rules and regulations, requirements, standard orders and directions of the American Insurance Association, the Insurance Services Office, National Fire Protection Association, and any other body or organization exercising similar functions which may pertain or apply to the Contractor's operations hereunder.

The Contractor shall not do or permit to be done any act which:

1. will invalidate or be in conflict with any fire insurance policies covering the Site/Facility or any part thereof or upon the contents of any building thereon; or
2. will increase the rate of any fire insurance, extended coverage or rental insurance on the Site/Facility or any part thereof or upon the contents of any building thereon; or
3. in the opinion of the Authority will constitute a hazardous condition, so as to increase the risk normally attendant upon the operations contemplated by this Contract; or
4. may cause or produce in the premises, or upon the Site any unusual, noxious or objectionable smoke, gases, vapors, odors; or

5. may interfere with the effectiveness or accessibility of the drainage and sewerage system, fire protection system, sprinkler system, alarm system, fire hydrants and hoses, if any, installed or located or to be installed or located in or on the Site; or
6. shall constitute a nuisance in or on the Site or which may result in the creation, commission or maintenance of a nuisance in or on the Site.

f. If by reason of the Contractor's failure to comply with the provisions of this Section and provided the Authority has given the Contractor five (5) days written notice of its failure and the Contractor shall not have cured said failure within said five (5) days, any fire insurance, extended coverage or rental insurance rate on the Site/Facility or any part thereof or upon the contents of any building thereon shall at any time be higher than it otherwise would be, then the Contractor shall on demand pay the Authority that part of all fire insurance, extended coverage or rental insurance premiums paid or payable by the Authority which shall have been charged because of such violations by the Contractor.

g. The Contractor shall conduct its Work so as not to endanger, unreasonably interfere with, or delay the operations or activities of any tenants or occupants on the premises or the Site and, moreover, shall use the same degree of care in performance on the premises as would be required by law of the Authority and shall conduct all Work in a courteous, efficient and safe manner.

45. CERTIFICATION OF NO INVESTIGATION (CRIMINAL OR CIVIL ANTI-TRUST), INDICTMENT, CONVICTION, DEBARMENT, SUSPENSION, DISQUALIFICATION AND DISCLOSURE OF OTHER INFORMATION

By bidding on this Contract, each Bidder and each person signing on behalf of any Bidder certifies, and in the case of a joint bid each party thereto certifies as to its own organization, that the Bidder and each parent and/or affiliate of the Bidder has not

a. been indicted or convicted in any jurisdiction;
b. been suspended, debarred, found not responsible or otherwise disqualified from entering into any contract with any governmental agency or been denied a government contract for failure to meet standards related to the integrity of the Bidder;
c. had a contract terminated by any governmental agency for breach of contract or for any cause based in whole or in part on an indictment or conviction;
d. ever used a name, trade name or abbreviated name, or an Employer Identification Number different from those inserted in the Bid;
e. had any business or professional license suspended or revoked or, within the five years prior to bid opening, had any sanction imposed in excess of fifty thousand dollars ($50,000) as a result of any judicial or administrative proceeding with respect to any license held or with respect to any violation of a federal, state or local environmental law, rule or regulation;
f. had any sanction imposed as a result of a judicial or administrative proceeding related to fraud, extortion, bribery, bid rigging, embezzlement, misrepresentation or anti-trust regardless of the dollar amount of the sanctions or the date of their imposition; and
g. been, and is not currently, the subject of a criminal investigation by any federal, state or local prosecuting or investigative agency and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency.

46. NON-COLLUSIVE BIDDING, AND CODE OF ETHICS CERTIFICATION, CERTIFICATION OF NO SOLICITATION BASED ON COMMISSION, PERCENTAGE, BROKERAGE, CONTINGENT OR OTHER FEES

By bidding on this Contract, each Bidder and each person signing on behalf of any Bidder certifies, and in the case of a joint bid, each party thereto certifies as to its own organization, that

a. the prices in its bid have been arrived at independently without collusion, consultation, communication or agreement for the purpose of restricting competition, as to any matter relating to such prices with any other bidder or with any competitor;

b. the prices quoted in its bid have not been and will not be knowingly disclosed directly or indirectly by the Bidder prior to the official opening of such bid to any other bidder or to any competitor;

c. no attempt has been made and none will be made by the Bidder to induce any other person, partnership or corporation to submit or not to submit a bid for the purpose of restricting competition;

d. this organization has not made any offers or agreements or taken any other action with respect to any Authority employee or former employee or immediate family member of either which would constitute a breach of ethical standards under the Code of Ethics dated April 11, 1996, (a copy of which is available upon request) nor does this organization have any knowledge of any act on the part of an Authority employee or former Authority employee relating either directly or indirectly to this organization which constitutes a breach of the ethical standards set forth in said Code;

e. no person or selling agency other than a bona fide employee or bona fide established commercial or selling agency maintained by the Bidder for the purpose of securing business, has been employed or retained by the Bidder to solicit or secure this Contract on the understanding that a commission, percentage, brokerage, contingent, or other fee would be paid to such person or selling agency; and

f. the Bidder has not offered, promised or given, demanded or accepted, any undue advantage, directly or indirectly, to or from a public official or employee, political candidate, party or party official, or any private sector employee (including a person who directs or works for a private sector enterprise in any capacity), in order to obtain, retain, or direct business or to secure any other improper advantage in connection with this Contract.

g. no person or organization has been retained, employed or designated on behalf of the Bidder to impact any Port Authority determination, where the solicitation is a Request for Proposals, with respect to (i) the solicitation, evaluation or award of this Contract, or (ii) the preparation of specifications or request for submissions in connection with this Contract.

The foregoing certifications shall be deemed to be made by the Bidder as follows:

* if the Bidder is a corporation, such certification shall be deemed to have been made not only with respect to the Bidder itself, but also with respect to each parent, affiliate, director, and officer of the Bidder, as well as, to the best of the certifier's knowledge and belief, each stockholder of the Bidder with an ownership interest in excess of 10%;
* if the Bidder is a partnership, such certification shall be deemed to have been made not only with respect to the Bidder itself, but also with respect to each partner.

Moreover, the foregoing certifications, if made by a corporate Bidder, shall be deemed to have been authorized by the Board of Directors of the Bidder, and such authorization shall be deemed to include the signing and submission of the bid and the inclusion therein of such certification as the act and deed of the corporation.

In any case where the Bidder cannot make the foregoing certifications, the Bidder shall so state and shall furnish with the signed bid a signed statement which sets forth in detail the reasons therefor. If the Bidder is uncertain as to whether it can make the foregoing certifications, it shall so indicate in a signed statement furnished with its bid, setting forth in such statement the reasons for its uncertainty. With respect to the foregoing certification in paragraph “2g”, if the Bidder cannot make the certification, it shall provide, in writing, with the signed bid: (i) a list of the name(s), address(es), telephone number(s), and place(s) of principal employment of each such individual or organization; and (ii) a statement as to whether such individual or organization has a “financial interest” in this Contract, as described in the Procurement Disclosure policy of the Authority (a copy of which is available upon request to the Director of the Procurement Department of the Authority). Such disclosure is to be updated, as necessary, up to the time of award of this Contract. As a result of such disclosure, the Port Authority shall take appropriate action up to and including a finding of non-responsibility.

Failure to make the required disclosures shall lead to administrative actions up to and including a finding of non-responsiveness or non-responsibility.

Notwithstanding that the Bidder may be able to make the foregoing certifications at the time the bid is submitted, the Bidder shall immediately notify the Authority in writing during the period of irrevocability of bids and the term of the Contract, if Bidder is awarded the Contract, of any change of circumstances which might under this clause make it unable to make the foregoing certifications, might render any portion of the certifications previously made invalid, or require disclosure. The foregoing certifications or signed statement shall be deemed to have been made by the Bidder with full knowledge that they would become a part of the records of the Authority and that the Authority will rely on their truth and accuracy in awarding and continuing this Contract. In the event that the Authority should determine at any time prior or subsequent to the award of this Contract that the Bidder has falsely certified as to any material item in the foregoing certifications, has failed to immediately notify the Port Authority of any change in circumstances which might make it unable to make the foregoing certifications, might render any portion of the certifications previously made invalid, or require disclosure, or has willfully or fraudulently furnished a signed statement which is false in any material respect, or has not fully and accurately represented any circumstance with respect to any item in the foregoing certifications required to be disclosed, the Authority may determine that the Bidder is not a responsible Bidder with respect to its bid on the Contract or with respect to future bids on Authority contracts and may exercise such other remedies as are provided to it by the Contract with respect to these matters. In addition, Bidders are advised that knowingly providing a false certification or statement pursuant hereto may be the basis for prosecution for offering a false instrument for filing (see e.g. New York Penal Law, Section 175.30 et seq.). Bidders are also advised that the inability to make such certification will not in and of itself disqualify a Bidder, and that in each instance the Authority will evaluate the reasons therefor provided by the Bidder. Under certain circumstances the Bidder may be required as a condition of Contract award to enter into a Monitoring Agreement under which it will be required to take certain specified actions, including compensating an independent Monitor to be selected by the Port Authority, said Monitor to be charged with, among other things, auditing the actions of the Bidder to determine whether its business practices and relationships indicate a level of integrity sufficient to permit it to continue business with the Port Authority.

47. BIDDER ELIGIBILITY FOR AWARD OF CONTRACTS - DETERMINATION BY AN AGENCY OF THE STATE OF NEW YORK OR NEW JERSEY CONCERNING ELIGIBILITY TO RECEIVE PUBLIC CONTRACTS

Bidders are advised that the Authority has adopted a policy to the effect that in awarding its contracts it will honor any determination by an agency of the State of New York or New Jersey that a Bidder is not eligible to bid on or be awarded public contracts because the Bidder has been determined to have engaged in illegal or dishonest conduct or to have violated prevailing rate of wage legislation.

The policy permits a Bidder whose ineligibility has been so determined by an agency of the State of New York or New Jersey to submit a bid on a Port Authority contract and then to establish that it is eligible to be awarded a contract on which it has bid because (i) the state agency determination relied upon does not apply to the Bidder, or (ii) the state agency determination relied upon was made without affording the Bidder the notice and hearing to which the Bidder was entitled by the requirements of due process of law, or (iii) the state agency determination was clearly erroneous or (iv) the state determination relied upon was not based on a finding of conduct demonstrating a lack of integrity or violation of a prevailing rate of wage law.

The full text of the resolution adopting the policy may be found in the Minutes of the Authority's Board of Commissioners meeting of September 9, 1993.

48. CONTRACTOR RESPONSIBILITY, SUSPENSION OF WORK AND TERMINATION

During the term of this Contract, the Contractor shall at all times during the Contract term remain responsible. The Contractor agrees, if requested by the Port Authority to present evidence of its continuing legal authority to do business in the States of New Jersey or New York, integrity, experience, ability, prior performance, and organizational and financial capacity.

The Port Authority, in its sole discretion, reserves the right to suspend any or all activities under this Contract, at any time, when it discovers information that calls into question the responsibility of the Contractor. In the event of such suspension, the Contractor will be given written notice outlining the particulars of such suspension. Upon issuance of such notice, the Contractor must comply with the terms of the suspension order. Contract activity may resume at such time as the Port Authority issues a written notice authorizing a resumption of performance under the Contract.

Upon written notice to the Contractor, and an opportunity to be heard with appropriate Port Authority officials or staff, the Contract may be terminated by Port Authority at the Contractor's expense where the Contractor is determined by the Port Authority to be non-responsible. In such event, the Port Authority or its designee may complete the contractual requirements in any manner he or she may deem advisable and pursue available legal or equitable remedies for breach, including recovery of costs from Contractor associated with such termination.

49. NO GIFTS, GRATUITIES, OFFERS OF EMPLOYMENT, ETC.

At all times, the Contractor shall not offer, give or agree to give anything of value either to a Port Authority employee, agent, job shopper, consultant, construction manager or other person or firm representing the Port Authority, or to a member of the immediate family (i.e., a spouse, child, parent, brother or sister) of any of the foregoing, in connection with the performance by such employee, agent, job shopper, consultant, construction manager or other person or firm representing the Port Authority of duties involving transactions with the Contractor on behalf of the Port Authority, whether or not such duties are related to this Contract or any other Port Authority contract or matter. Any such conduct shall be deemed a material breach of this Contract.

As used herein "anything of value" shall include but not be limited to any (a) favors, such as meals, entertainment, transportation (other than that contemplated by the Contract or any other Port Authority contract), etc. which might tend to obligate the Port Authority employee to the Contractor, and (b) gift, gratuity, money, goods, equipment, services, lodging, discounts not available to the general public, offers or promises of employment, loans or the cancellation thereof, preferential treatment or business opportunity. Such term shall not include compensation contemplated by this Contract or any other Port Authority contract. Where used herein, the term "Port Authority" shall be deemed to include all subsidiaries of the Port Authority.

The Contractor shall ensure that no gratuities of any kind or nature whatsoever shall be solicited or accepted by it and by its personnel for any reason whatsoever from the passengers, tenants, customers or other persons using the Facility and shall so instruct its personnel.

In the event that the Contractor becomes aware of the occurrence of any conduct that is prohibited by this section entitled "No Gifts, Gratuities, Offers of Employment, Etc.", it shall report such occurrence to the Port Authority's Office of Inspector General within three (3) business days of obtaining such knowledge. (See "http://www.panynj.gov/inspector-general" for information about to report information to the Office of Inspector General). Failing to report such conduct shall be grounds for a finding of non-responsibility.

In addition, during the term of this Contract, the Contractor shall not make an offer of employment or use confidential information in a manner proscribed by the Code of Ethics and Financial Disclosure dated April 11, 1996, (a copy of which is available upon request to the Office of the Secretary of the Port Authority).

The Contractor shall include the provisions of this clause in each subcontract entered into under this Contract.

50. CONFLICT OF INTEREST

During the term of this Contract, the Contractor shall not participate in any way in the preparation, negotiation or award of any contract (other than a contract for its own services to the Authority) to which it is contemplated the Port Authority may become a party, or participate in any way in the review or resolution of a claim in connection with such a contract if the Contractor has a substantial financial interest in the contractor or potential contractor of the Port Authority or if the Contractor has an arrangement for future employment or for any other business relationship with said contractor or potential contractor, nor shall the Contractor at any time take any other action which might be viewed as or give the appearance of conflict of interest on its part. If the possibility of such an arrangement for future employment or for another business arrangement has been or is the subject of a previous or current discussion, or if the Contractor has reason to believe such an arrangement may be the subject of future discussion, or if the Contractor has any financial interest, substantial or not, in a contractor or potential contractor of the Authority, and the Contractor's participation in the preparation, negotiation or award of any contract with such a contractor or the review or resolution of a claim in connection with such a contract is contemplated or if the Contractor has reason to believe that any other situation exists which might be viewed as or give the appearance of a conflict of interest, the Contractor shall immediately inform the Director in writing of such situation giving the full details thereof. Unless the Contractor receives the specific written approval of the Director, the Contractor shall not take the contemplated action which might be viewed as or give the appearance of a conflict of interest. The Director may require the Contractor to submit a mitigation plan addressing and mitigating any disclosed or undisclosed conflict, which is subject to the approval of the Director and shall become a requirement, as though fully set forth in this Contract. In the event the Director shall determine that the performance by the Contractor of a portion of its Services under this Agreement is precluded by the provisions of this numbered paragraph, or a portion of the Contractor's said Services is determined by the Director to be no longer appropriate because of such preclusion, then the Director shall have full authority on behalf of both parties to order that such portion of the Contractor's Services not be performed by the Contractor, reserving the right, however, to have the Services performed by others and any lump sum compensation payable hereunder which is applicable to the deleted work shall be equitably adjusted by the parties. The Contractor's execution of this document shall constitute a representation by the Contractor that at the time of such execution the Contractor knows of no circumstances, present or anticipated, which come within the provisions of this paragraph or which might otherwise be viewed as or give the appearance of a conflict of interest on the Contractor's part. The Contractor acknowledges that the Authority may preclude it from involvement in certain disposition/privatization initiatives or transactions that result from the findings of its evaluations hereunder or from participation in any contract, which results, directly or indirectly, from the Services provided by the Contractor hereunder. The Port Authority’s determination regarding any questions of conflict of interest shall be final.

51. DEFINITIONS

As used in the integrity provisions above, the following terms shall mean:

Affiliate - Two or more firms are affiliates if a parent owns more than fifty percent of the voting stock of each of the firms, or a common shareholder or group of shareholders owns more than fifty percent of the voting stock of each of the firms, or if the firms have a common proprietor or general partner.

Agency or Governmental Agency - Any federal, state, city or other local agency, including departments, offices, public authorities and corporations, boards of education and higher education, public development corporations, local development corporations and others.

Investigation - Any inquiries made by any federal, state or local criminal prosecuting and/or law enforcement agency and any inquiries concerning civil anti-trust investigations made by any federal, state or local governmental agency. Except for inquiries concerning civil anti-trust investigations, the term does not include inquiries made by any civil government agency concerning compliance with any regulation, the nature of which does not carry criminal penalties, nor does it include any background investigations for employment, or Federal, State, and local inquiries into tax returns.

Officer - Any individual who serves as chief executive officer, chief financial officer, or chief operating officer of the Bidder by whatever titles known.

Parent - An individual, partnership, joint venture or corporation which owns more than 50% of the voting stock of the Bidder.

52. INTEGRITY MONITOR

The Authority has retained an integrity monitor in connection with the Project ("Integrity Monitor"). The Contractor shall cooperate and cause its subcontractors to cooperate fully with the Integrity Monitor and the Port Authority and its Inspector General, including but not limited to providing complete access to all personnel and records related to the performance of this Agreement. Failure to comply with this provision shall be a material breach of this Agreement.

53. LOST AND FOUND PROPOERTY

The Contractor shall instruct its personnel that all items of personal property found by the Contractor's employees at the Site must be turned in to the Port Authority and a receipt will be issued therefor.

54. PROPERTY OF THE CONTRACTOR

a. All property of the Contractor at the Site by virtue of this Contract shall be removed on or before the expiration or sooner termination or revocation of this Contract.
b. If the Contractor shall fail to remove its property upon the expiration, termination or revocation of this Contract the Port Authority may, at its option, dispose of such property as waste or as agent for the Contractor and at the risk and expense of the Contractor, remove such property to a public warehouse, or may retain the same in its own possession, and in either event after the expiration of thirty (30) days may sell the same in accordance with any method deemed appropriate; the proceeds of any such sale shall be applied first, to the expenses of sale and second, to any sums owed by the Contractor to the Port Authority; any balance remaining shall be paid to the Contractor. Any excess of the total cost of removal, storage and sale and other costs incurred by the Port Authority as a result of such failure of performance by the Contractor over the proceeds of sale shall be paid by the Contractor to the Port Authority upon demand.

55. MODIFICATION OF CONTRACT

This Contract may not be changed except in writing signed by the Port Authority and the Contractor. The Contractor agrees that no representation or warranties shall be binding upon the Port Authority unless expressed in writing in this Contract.

56. INVALID CLAUSES

If any provision of this Contract shall be such as to destroy its mutuality or to render it invalid or illegal, then, if it shall not appear to have been so material that without it the Contract would not have been made by the parties, it shall not be deemed to form part thereof but the balance of the Contract shall remain in full force and effect.

57. INTELLECTUAL PROPERTY

The right to use all patented materials, appliances, processes of manufacture or types of construction, trade and service marks, copyrights and trade secrets, collectively hereinafter referred to as "Intellectual Property Rights", in the performance of the work, shall be obtained by the Contractor without separate or additional compensation. Where the services under this Agreement require the Contractor to provide materials, equipment or software for the use of the Port Authority or its employees or agents, the Port Authority shall be provided with the Intellectual Property Rights required for such use without further compensation than is provided for under this Agreement.

The Contractor shall indemnify the Port Authority against and save it harmless from all loss and expense incurred as a result of any claims in the nature of Intellectual Property Rights infringement arising out of the Contractor's or the Port Authority's use, in

accordance with the above immediately preceding paragraph, of any Intellectual Property. The Contractor, if requested, shall conduct all negotiations with respect to and defend such claims. If the Contractor, the Port Authority, its employees or agents be enjoined either temporarily or permanently from the use of any subject matter as to which the Contractor is to indemnify the Port Authority as applicable, against infringement, then the Port Authority as applicable, may, without limiting any other rights it may have, require the Contractor to supply temporary or permanent replacement facilities approved by the Superintendent/Manager, and if the Contractor fails to do so the Contractor shall, at its expense, remove all such enjoined facilities and refund the cost thereof to the Port Authority, as applicable, or take such steps as may be necessary to insure compliance by the Contractor and the Port Authority with said injunction, to the satisfaction of the Port Authority.

In addition, the Contractor shall promptly and fully inform the Director/General Manager in writing of any intellectual property rights disputes, whether existing or potential, of which it has knowledge, relating to any idea, design, method, material, equipment or any other matter related to the subject matter of this Agreement or coming to its attention in connection with this Agreement.

58. CONTRACT RECORDS AND DOCUMENTS – PASSWORDS AND CODES

When the performance of the contract services requires the Contractor to produce, compile or maintain records, data, drawings, or documents of any kind, regardless of the media utilized, then all such records, drawings, data and documents which are produced, prepared or compiled in connection with this contract, shall become the property of the Port Authority, and the Port Authority shall have the right to use or permit the use of them and any ideas or methods represented by them for any purpose and at any time without other compensation than that specifically provided herein.

When in the performance of the contract services the Contractor utilizes passwords or codes for any purpose, at any time during or after the performance of such services, upon written request by the Port Authority, the Contractor shall make available to the designated the Port Authority representative all such passwords and codes.

59. COSTS ASSUMED BY THE CONTRACTOR

It is expressly understood and agreed that all costs of the Contractor of whatever kind or nature and whether imposed directly upon the Contractor under the terms and provisions hereof or in any other manner whatsoever because of the requirements of the operation of the service or otherwise under this Agreement shall be borne by the Contractor or without compensation or reimbursement from the Authority, except as specifically set forth in this Agreement. The entire and complete cost and expense of the Contractor's services and operations hereunder shall be borne solely by the Contractor and under no circumstances shall the Authority be liable to any third party (including the Contractor's employees) for any such costs and expenses incurred by the Contractor and under no circumstances shall the Authority be liable to the Contractor for the same, except as specifically set forth in this Section.

60. HOLIDAYS

The following holidays will be observed at the Site:

New Year's Day	Labor Day
Martin Luther King Jr. Day	Columbus Day
Presidents' Day	Election Day
Memorial Day	Veterans Day
Independence Day	Thanksgiving Day
Christmas Day	

This list is subject to periodic revision and the Contractor shall be responsible for obtaining all updated lists from the office of the Superintendent/Manager. If any such holiday falls on a Sunday then the next day shall be considered the holiday and/or if any such holiday falls on a Saturday then the preceding day shall be considered the holiday.

61. PERSONNEL STANDARDS

In addition to any specific personnel requirements that may be required under the clause entitled "Personnel Requirements" in the

Specifications, the Contractor (and any Subcontractor) shall furnish competent and adequately trained personnel to perform the Work hereunder. If, in the opinion of the Superintendent/Manager, any employee so assigned is performing his or her functions unsatisfactorily, he or she shall be replaced by the Contractor within twenty-four (24) hours following the Contractor's receipt of the Superintendent/Manager's request for such replacement.

All Contractor's employees performing Work hereunder shall have the ability to communicate in the English language to the extent necessary to comprehend directions given by either the Contractor's supervisory staff or by the Superintendent/Manager's staff. Any employee operating a motor vehicle must have a valid driver's license.

The Contractor shall verify that employees working under this Contract in the United States are legally present in the United States and authorized to work by means of the federally required I-9 program.

PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS that we, the undersigned[3] Contractor and surety company (or companies), as principal and surety (or sureties), respectively,

Contractor	Surety

[3] Insert names of the Contractor and surety company (or companies) in the appropriate columns. If space is insufficient add rider.

If the Contractor is a corporation, give the state of incorporation, using also the phrase "a corporation organized under the laws of _____".

If the Contractor is a partnership, give full names of partners, using the phrase "co-partners doing business under the firm name of _____".

If the Contractor is an individual using a trade name, give individual name, using also the phrase "an individual doing business under the trade name of _____.".

are hereby held and firmly bound unto The Port Authority of New York and New Jersey (herein called the "Authority") in the penal sum of _____Dollars

and _____Cents (_____), for the payment of which, well and truly to be made, we hereby jointly and severally bind ourselves, our heirs, representatives, executors, administrators, successors and assigns. Each surety, however, if there is more than one, shall be jointly and severally liable for said penal sum.

Signed this _____ day of _____20

The condition of the above obligation is that

WHEREAS, the above named principal has entered into a Contract in writing with the Authority, a copy of which is hereby made a part of this bond as though herein set forth in full and which is designated Contract WTCR-381660-A and

WHEREAS, the Authority has required this bond for the faithful performance of all obligations imposed by said Contract;

NOW, if the said principal shall well and faithfully do and perform the things agreed by him to be done and performed according to the terms and true intent and meaning of said Contract, then this obligation shall be void, otherwise the same shall remain in full force and effect; it being expressly understood and agreed that, provided the sureties shall comply with the provisions hereof, the aggregate liability of all sureties for any and all claims hereunder shall in no event exceed the penal amount of this obligation as hereinbefore stated.

This undertaking is for the benefit of the Authority and all subcontractors, materialmen and workmen having lawful claims arising out of the performance of said Contract, and all such subcontractors, materialmen and workmen (as well as the Authority itself) shall have a direct right of action upon this bond; but the rights and equities of such subcontractors, materialmen and workmen shall be subject and subordinate to those of the Authority.

The sureties, for value received, hereby stipulate and agree that the obligations of said sureties and their bond shall be in no way impaired or affected by any extensions of time, modification, omission, addition or change in or to the said Contract or the construction to be performed thereunder, or by any supervision or inspection or omission to supervise or inspect the construction, or by any payment thereunder before the time required therein, or by any waiver of any provision or condition thereof (whether precedent or subsequent), or by any assignment, subletting or other transfer thereof or of any part thereof or of any construction to be performed or any moneys due or to become due thereunder; and said sureties do hereby waive notice of any and all of such extensions, modifications, omissions, additions, changes, payments, waivers, assignments, subcontracts and transfers, and hereby expressly stipulate and agree that any and all things done and omitted to be done by and in relation to assignees, subcontractors and other transferees shall have the same effect as to said sureties as though done by or in relation to said principal.

The sureties shall give the General Counsel of the Authority the following notices:

a. Written notice of an intent to pay any claim of a subcontractor, materialman or workman hereunder;

b. Written notice within five days of the institution of an action by a subcontractor, materialman or workman hereunder.

The sureties shall not pay the claim of any subcontractor, materialman or workman hereunder until the expiration of thirty days after receipt by said General Counsel of notice under either subparagraph A or B above, describing the claim to be paid.

IN WITNESS WHEREOF, the principal and the sureties have hereunto set their hands and seals, and such of them as are corporations have caused their corporate seals to be hereto affixed and these presents to be signed by their proper officers, the day and year first set forth above.

_____

Principal

(Seal) By [4] _____

_____

Surety

By[5] _____

APPROVED AS TO ACCEPTABILITY OF SURETIES:

_____

Credit Manager

_____20

[4] If bond is signed by an officer or agent, give title; if signed by a corporation, affix corporate seal.

[5] Add signatures of additional sureties, if any.

ACKNOWLEDGMENT OF PRINCIPAL, A CORPORATION

State of _____

_____ SS:

County of _____

On this day of _____, before me personally came and appeared _____, to me known and known to of _____, a corporation, described in and who executed the foregoing instrument and he acknowledged to me that he executed the same as and for the act and deed of said firm.

(Notary Seal) _____

(Notary Signature)

(Seal)

ACKNOWLEDGMENT OF PRINCIPAL, IF A PARTNERSHIP

State of _____

_____ SS:

County of _____

On this _____. day of _____, 20 , before me

personally came and appeared _____, to me known, and known to me to be one of the members of the firm of _____ described in and who executed the foregoing instrument and he acknowledged to me that he executed the same as and for the act and deed of said firm.

(Seal) _____

(Notary Signature)

ACKNOWLEDGMENT OF PRINCIPAL, IF AN INDIVIDUAL

State of _____

_____ SS:

County of _____

On this _____. day of _____, 20 , before me

personally came and appeared _____, to me known, and known to me to be one of the members of the firm of _____ described in and who executed the foregoing instrument and he acknowledged to me that he executed the same as and for the act and deed of said firm.

(Seal) _____

(Notary Signature)

ACKNOWLEDGMENT OF SURETY COMPANY

PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS that we, the undersigned[6] Contractor and surety company (or companies), as principal and surety (or sureties), respectively,

Contractor	Surety

[6] Insert names of the Contractor and surety company (or companies) in the appropriate columns. If space is insufficient add rider.

If the Contractor is a corporation, give the state of incorporation, using also the phrase "a corporation organized under the laws of _____".

If the Contractor is a partnership, give full names of partners, using the phrase "co-partners doing business under the firm name of _____".

If the Contractor is an individual using a trade name, give individual name, using also the phrase "an individual doing business under the trade name of _____.".

are hereby held and firmly bound unto The Port Authority of New York and New Jersey (herein called the "Authority") in the penal sum of _____Dollars

and _____Cents (_____), for the payment of which, well and truly to be made, we hereby jointly and severally bind ourselves, our heirs, representatives, executors, administrators, successors and assigns. Each surety, however, if there is more than one, shall be jointly and severally liable for said penal sum.

Signed this _____ day of _____20

The condition of the above obligation is that

WHEREAS, the above named principal has entered into a Contract in writing with the Authority, a copy of which is hereby made a part of this bond as though herein set forth in full and which is designated Contract WTCR-381660-A, and

WHEREAS, the Authority has required this bond for the payment of all lawful claims of subcontractors, materialmen and workmen arising out of the performance of said Contract;

NOW, if all lawful claims of subcontractors, materialmen and workmen arising out of the performance of said Contract are paid, then this obligation shall be void, otherwise the same shall remain in full force and effect; it being expressly understood and agreed that, provided the sureties shall comply with the provisions hereof, the aggregate liability of all sureties for any and all claims hereunder shall in no event exceed the penal amount of this obligation as hereinbefore stated.

This undertaking is for the benefit of the Authority and all subcontractors, materialmen and workmen having lawful claims arising out of the performance of said Contract, and all such subcontractors, materialmen and workmen (as well as the Authority itself) shall have a direct right of action upon this bond; but the rights and equities of such subcontractors, materialmen and workmen shall be subject and subordinate to those of the Authority.

The sureties, for value received, hereby stipulate and agree that the obligations of said sureties and their bond shall be in no way impaired or affected by any extensions of time, modification, omission, addition or change in or to the said Contract or the construction to be performed thereunder, or by any supervision or inspection or omission to supervise or inspect the construction, or by any payment thereunder before the time required therein, or by any waiver of any provision or condition thereof (whether precedent or subsequent), or by any assignment, subletting or other transfer thereof or of any part thereof or of any construction to be performed or any moneys due or to become due thereunder; and said sureties do hereby waive notice of any and all of such extensions, modifications, omissions, additions, changes, payments, waivers, assignments, subcontracts and transfers, and hereby expressly stipulate and agree that any and all things done and omitted to be done by and in relation to assignees, subcontractors and other transferees shall have the same effect as to said sureties as though done by or in relation to said principal.

The sureties shall give the General Counsel of the Authority the following notices:

a. Written notice of an intent to pay any claim of a subcontractor, materialman or workman hereunder;

b. Written notice within five days of the institution of an action by a subcontractor, materialman or workman hereunder.

The sureties shall not pay the claim of any subcontractor, materialman or workman hereunder until the expiration of thirty days after receipt by said General Counsel of notice under either subparagraph A or B above, describing the claim to be paid.

IN WITNESS WHEREOF, the principal and the sureties have hereunto set their hands and seals, and such of them as are corporations have caused their corporate seals to be hereto affixed and these presents to be signed by their proper officers, the day and year first set forth above.

_____

Principal

(Seal)

By [7] _____

_____

Surety

By[8] _____

APPROVED AS TO ACCEPTABILITY OF SURETIES:

_____

Credit Manager

_____,20

[7] If bond is signed by an officer or agent, give title; if signed by a corporation, affix corporate seal.

[8] Add signatures of additional sureties, if any.

ACKNOWLEDGMENT OF PRINCIPAL, IF A CORPORATION

State of _____

_____ SS:

County of _____

On this _____day of _____, before me personally came and appeared _____, to me known and known to _____, a corporation, described in and who executed the foregoing instrument and he acknowledged to me that he executed the same as and for the act and deed of said firm.

(Notary Seal) _____

(Notary Signature)

(Seal)

ACKNOWLEDGMENT OF PRINCIPAL, IF A PARTNERSHIP

State of _____

_____ SS:

County of _____

On this _____. day of _____, 20 , before me

personally came and appeared _____, to me known, and known to me to be one of the members of the firm of _____ described in and who executed the foregoing instrument and he acknowledged to me that he executed the same as and for the act and deed of said firm.

(Seal) _____

(Notary Signature)

ACKNOWLEDGMENT OF PRINCIPAL, IF AN INDIVIDUAL

State of _____

_____ SS:

County of _____

On this _____ day of _____, 20 , before me personally came and appeared _____, to me known and known to me to be the person described in and who executed the foregoing instrument and he acknowledged to me that he executed the same.

(Seal) _____

(Notary Signature)

AFFIX ACKNOWLEDGMENT AND JUSTIFICATION OF SURETY

SPECIFICATIONS

DIVISION 1

GENERAL PROVISIONS

62. CONSTRUCTION REQUIRED BY THE SPECIFICATIONS

These Specifications relate generally to furnishing and installing utility grade meters sitewide.

These Specifications require the doing of all things necessary or proper for or incidental to the Work referred to in the immediately preceding paragraph, as shown on the Contract Drawings in their present form. In addition, all things shown on the Contract Drawings even though not expressly mentioned in these Specifications, all things mentioned in these Specifications even though not shown on the Contract Drawings, and all things not specified either on the Contract Drawings, or in the Specifications but involved in carrying out their intent and in the complete and proper execution of the matter referred to in the immediately preceding paragraph are required by these Specifications; and the Contractor shall perform the same as though they were specifically delineated, described and mentioned herein.

In case of a conflict between the requirements contained within the Contract Documents, the order of precedence of contractual obligation is the following;

1. Division 1 of the Specifications.
2. Contract Drawings
3. Contract Specifications (see Detailed Specifications in Part V)

In case of any other conflict between or among the Contract Documents, including conflicting sections of this Agreement, the Authority shall have the right to resolve such conflict at it may elect in its sole discretion, which determination shall be binding upon Contractor, and Authority shall have the right to the most costly or burdensome alternative, without an increase in the Contract Sum.

Some Sections of the Specifications make cross references to construction specified in other Sections of the Specifications, including cross references intended to avoid duplication by the bidders in quoting prices and to point out some of the necessity for coordination. Such cross references are not intended to be complete or all inclusive, and the Contractor shall ascertain for himself both the nature and the extent of all construction which may be related to that under each Section of the Specifications whether or not expressly referred to.

Some Sections of the Specifications contain a general description of the construction under such Sections. Such description is merely a very general one and is not intended to outline the construction required by the Specifications and Contract Drawings. Accordingly, such description shall be construed as in aid of and supplemental to, but in no case limiting, impairing or decreasing, the requirements elsewhere set forth with respect to the construction to be performed.

The Contractor's compensation for all construction whatsoever referred to in the Specifications and Contract Drawings in their present form, even though the need for certain items of such construction may be contingent upon future occurrences or determinations or upon other circumstances, shall be deemed to be included in the Lump Sum stated in the Form of Contract unless the Specifications or Contract Drawings expressly state that compensation in addition to such price shall be payable for such items of construction. The express statement in some cases to the effect that certain construction shall be without additional cost to the Authority shall not impair the application of this paragraph in other cases.

The distribution of various parts of the construction among the Divisions and Sections of the Specifications or among the Contract Drawings is not intended as a representation of the most effective or logical method of organizing, scheduling, or subcontracting the construction, and the Contractor shall ascertain for himself how to do so unless otherwise expressly prescribed in this Contract.

In all cases the provisions of the second paragraph of this numbered Section shall control.

63. AVAILABLE PROPERTY

Subject to the conditions elsewhere stated herein, those areas to be occupied by the permanent construction will be made available to the Contractor.

Any additional property which the Contractor desires for his operations shall be obtained by him at his own expense.

The Contractor will be permitted to use only so much of the aforesaid areas as is necessary for the performance of the Contract, and he must at all times so conduct his operations as not to encroach upon or block the portions used by others. The Director may at any time make joint or exclusive assignments of particular portions thereof, either to the Contractor or to others, and may take over and use for other purposes any portions which, in the opinion of Director, are not required for the performance of the Work.

The Contractor shall daily clean up the areas made available to him so that they are free at all times of refuse, rubbish, scrap material or debris.

64. MATERIALS FURNISHED BY THE AUTHORITY

Materials furnished to the Contractor, if any, shall be examined by it at the time they are furnished to it, and if there is a shortage, damage or other defect, the Contractor shall at that time bring it specifically in writing to the attention of the Director. Any shortage, damage or defect so brought to the Director's attention and acknowledged by it will be corrected by the Authority. If no shortage, damage or other defect is so brought to the attention of and acknowledged by the Director at the time said materials are furnished to the Contractor, the materials shall thereafter conclusively be deemed to have been satisfactory in all respects, provided that if the Contractor demonstrates to the satisfaction of the Director that there was a shortage, damage or defect at the time the materials were furnished to the Contractor and that such fact could not reasonably have been ascertained at that time, then the shortage, damage or defect will be corrected by the Authority.

From the date the foregoing materials are furnished to the Contractor they shall form part of the materials included in the risks assumed by the Contractor as provided in subparagraph A of the clause of the Form of Contract entitled "Indemnification and Risks assumed by the Contractor".

All materials or portions thereof in excess of those actually required in the permanent construction and which in the opinion of the Director may be suitable for use by the Authority shall be returned to the Authority at a location at the construction site designated by the Director upon completion of the Work or when there is no longer any need for this material, whichever may first occur.

The Contractor, at its own expense, shall furnish all materials required by the Contract Drawings and Specifications with the exception of those materials expressly provided to be furnished to the Contractor by the Authority in accordance with numbered Section.

65. APPROVAL OF MATERIALS, SUPPLIES AND EQUIPMENT

Only Port Authority approved materials, supplies, and equipment are to be used by the Contractor in performing the Work hereunder. Inclusion of chemical containing materials or supplies on the Port Authority Approved Products List – Environmental Protection Supplies constitutes approval. The list may be revised from time to time and at any time by the Port Authority and it shall be incumbent upon the Contractor to obtain the most current list from the Superintendent/Manager of the Site/Facility.

At anytime during the Solicitation, pre-performance or performance periods, the Contractor may propose the use of an alternate product or products to those on the Approved Products List – Environmental Protection Supplies, which product(s) shall be subject to review and approval by the Port Authority. Any alternate product so approved by the Port Authority may be used by the Contractor in performing the Services hereunder. Until such approval is given, only products on the Approved Products List – Environmental Protection Supplies may be used.

66. DAMAGE TO ADJACENT IMPROVEMENTS

The Contractor shall protect, and shall ensure that all Subcontractors protect, from damage: utilities, foundations, walls or other parts adjacent, abutting or overhead buildings, structures, surface and subsurface structures at or near the construction site, and shall be responsible for ensuring that any damage to such facilities resulting from failure to comply with the requirements of this Contract or the failure to exercise reasonable care in the performance of the Work is repaired and restored at no additional cost or expense to the Authority. The Contractor shall indemnify the Authority for any such damage, and this provision shall survive the expiration or earlier termination of this Contract. If the Contractor fails or refuses to cause any such damage to be promptly repaired, the Authority may have the necessary work performed by Authority forces or others and the expense of the Work will be charged to the Contractor. The amount of such expense shall be deducted from any moneys due or becoming due to the Contractor.

67. OPERATIONS OF OTHERS

During the time that the Contractor is performing the Contract, other persons will be engaged in other operations on or about the construction site including without limitation the World Trade Center Transportation Hub construction, the construction on One World Trade Center, Towers Two, Three and Four, the Memorial, West Street (NYSDOT), Greenwich Street Corridor construction, the Vehicle Security Center and West Street construction all of which shall remain uninterrupted.
The Contractor shall so plan and conduct his operations as to work in harmony with others engaged at the construction site and not to delay, endanger or interfere with the operations of others (whether or not specifically mentioned above), all to the best interests of the Authority and the public and as may be directed by the Director.

68. HARMONY

a. The Contractor shall not employ any persons or use any labor, or use or have any equipment, or permit any condition to exist which shall or may cause or be conducive to any labor complaints, troubles, disputes or controversies at the Site which interfere or are likely to interfere with the operation of the worksite or with the operations of lessees, licensees or other users of the Site or with the operations of the Contractor under this Contract.

b. During the time that the Contractor is performing the Work, other persons will be engaged in other operations on or about the construction site, including, without limitation, the World Trade Center Transportation Hub construction, the construction on One World Trade Center, Towers Two, Three and Four, the Memorial, West Street (NYSDOT), Vehicular Security Center (VSC) construction, Greenwich Street Corridor construction, and West Street construction, all of which shall remain uninterrupted. The Contractor shall so plan and conduct its operations as to work in harmony with others engaged at the construction site and not to delay, endanger or interfere with the operations of others (whether or not specifically mentioned above), all to the best interests of the Port Authority and the public and as may be directed by the Engineer.

c. Whenever any labor strike, slowdown, work stoppage, picketing or other labor action which might interfere with the performance of the Work, or of other Port Authority contracts or the operation of any Port Authority site/facility occurs at the construction site or at any other Port Authority site/facility, as a result of the Contractor's (or any of its Subcontractor's) utilization of particular means, methods or manpower to perform the Work required by the Work, then the Contractor shall pursue all remedies which are appropriate and available to Contractor to avoid such interference at Contractor’s sole cost and expense.

69. CONTRACTOR'S MEETINGS

The Contractor shall conduct job progress and coordination meetings with Subcontractors in his field office every two weeks, or as frequently as job conditions require or the Director may request. The Director shall be notified and, at his option, may attend these meetings. The Contractor shall prepare and distribute minutes to the Director and the subcontractors within forty-eight (48) hours of the day following the meetings.

The Contractor shall attend separate job progress and coordination meetings with the Director every two weeks, or at times otherwise requested by the Director.

70. CONTRACT DRAWINGS

The Contract Drawings do not show all of the details of the Work and are intended only to illustrate the character and extent of the Work to be performed. Accordingly, they may be supplemented during the performance of the Work by the Director or by the Contractor subject to the approval of the Director, to the extent necessary to further illustrate the Work. The Authority shall not be held liable for the accuracy of such Contract Drawings

An indication on the Contract Drawings of the existence, nature or location of any utilities, structures, obstructions, conditions or materials does not constitute a representation as to the conclusions to be drawn therefrom nor a representation that no others exist in addition to those shown, even in the same location; nor does the absence of any indication on said drawings of the existence, nature or location of any utilities, structures, obstructions, conditions or materials constitute a representation that none exist.

After the Contract has been executed, the Contractor will be furnished six (6) copies of the Specifications and Contract Drawings without charge.

71. APPROVAL OF METHODS

Neither the approval of the Authority of the methods of furnishing services hereunder nor the failure of the Authority to call attention to improper or inadequate methods or to require a change in the method of furnishing services hereunder, nor the failure of the Authority to direct the Contractor to take any particular precautions or to refrain from doing any particular thing shall relieve the Contractor of its liability for injuries to persons or damage to property or environmental impairment arising out of its operations.

An indication on the Reference Documents of the existence, nature or location of any utilities, structures, obstructions, conditions or materials does not constitute a representation as to the conclusions to be drawn there from nor a representation that no others exist in addition to those shown, even in the same location; nor does the absence of any indication on said drawings of the existence, nature or location of any utilities, structures, obstructions, conditions or materials constitute a representation that none exist.

72. SHOP DRAWINGS, CATALOG CUTS AND SAMPLES

The Contractor shall specifically prepare for this Contract all Shop Drawings which may be required in addition to the Contract Drawings or in addition to any other drawings which the Director may issue in supplementing the Contract Drawings.

The specific requirements elsewhere set forth in the Specifications for furnishing Shop Drawings, Catalog Cuts and samples for any particular portion of the Contract shall not limit the obligation of the Contractor to furnish Shop Drawings, Catalog Cuts and samples for any other portion when so required by the Director.

The Contractor shall submit a general “Submittal Schedule” for the Authority’s review and approval listing the planned transmittal date and estimated number in each specification section category of Shop Drawings, Catalog Cuts, pages of calculations and samples within 30 days after receipt by the Contractor of the acceptance of the Proposal. A more detailed schedule shall be submitted no less than 30 calendar days prior to the actual date of the first submittal.

After checking and verifying all field measurements and after complying with applicable procedures specified hereunder, the Contractor shall submit to the Director for review and approval, in accordance with the approved schedule of Shop Drawing submissions, or for other action if so indicated by the Director, four copies and two reproducible, unless otherwise requested, of all Shop Drawings which will bear a specific written indication that the Contractor has reviewed the submission for conformance to the requirements of the Contract Drawings and Specifications.

The Port Authority uses Primavera Expedition software to track the status of submittals provided by the Contractor. In order to facilitate this electronic tracking, the Contractor shall use the transmittal form that is provided at the pre-construction meeting, and shall forward it to the Director via a MAPI compliant e-mail system (e.g. Microsoft Outlook, CC mail, Lotus notes, etc.).

The Contractor’s transmittals of Submittal data shall fully comply with the numbering and naming conventions and other procedures that will be provided by Authority to the Contractor at the pre-construction meeting.

All submissions shall be identified as the Director may require. In general, submissions shall specifically reference Contract Drawing numbers or Specification section numbers for which the item pertains. The data shown on the Shop Drawings shall be complete with respect to quantities, dimensions, conformance to the specified performance and design criteria, materials, test results and similar information to enable the Director to review the submittal as required.

The Contractor shall also submit nine copies to the Authority for review and approval pursuant to the approved submittal schedule, of all Catalog Cuts and samples for conformance to the requirements of the Contract Drawings and Specifications. All Catalog Cuts and samples shall have been reviewed by the Contractor and shall be accompanied by a specific written indication that the Contractor has reviewed the submittal for conformance with the Contract Drawings and Specifications and shall be identified clearly as to material, supplier, manufacturer's procedures and pertinent data such as catalog numbers and the use for which intended.

Before submission of each Shop Drawing, Catalog Cut and sample, the Contractor shall have determined and verified all quantities, dimensions, conformance to the specified performance and design criteria, installation requirements, materials, catalog numbers and similar data with respect thereto and reviewed and coordinated each Shop Drawing or Catalog Cut with other Shop Drawings and Catalog Cuts and with other requirements of the Work.

At the time of each submission, the Contractor shall give the Director specific written notice of each variation in any Shop Drawing, Catalog Cut and sample from the requirements of the Contract Drawings or Specifications and, in addition, shall cause a specific notation of each such variation to be made on each submittal to the Director, for review and approval of each such variation.

The Director's review and approval of Shop Drawings, Catalog Cuts or samples shall not relieve the Contractor from responsibility for any variation from the requirements of the Contract Drawings or Specifications unless the Contractor has in writing called the Director's attention to each such variation at the time of submission as required hereunder and the Director has given written approval of each by an express specific written notation thereof incorporated in or accompanying the Shop Drawing, Catalog Cut or sample approval. Approval of Shop Drawings, Catalog Cuts and samples which are inconsistent with the requirements of the Contract Drawings and Specifications shall not be deemed to waive or change such requirements or to relieve the Contractor of his obligations to perform such

requirements unless the Director shall expressly and specifically state that he is waiving or changing such requirements, as stated above.

Where a Shop Drawing, Catalog Cut or sample is required no related Work shall be performed prior to the Director's review and approval of the submission.

In preparing the Shop Drawings, the Contractor may adopt a sheet of any reasonable size which best suits his needs, but having adopted such size, all sheets thereafter of a similar nature shall be of the same size as that adopted. Each drawing shall have a margin on the top, bottom and right-hand side of one-half inch and on the left hand side a margin of one and one-half inches.

Upon receipt of the submittal, the Director will review the Shop Drawing, Catalog Cut or sample for conformance to the design information and materials shown on the Contract Drawings and contained in the Specifications. Approval by the Director shall not constitute a complete review or approval of the means, methods, techniques, sequences or procedures of construction, except where a specific means, method, technique, sequence or procedure of construction is specifically delineated in or required by the Contract Drawings or Specifications, and the approval shall not constitute a review and approval in regard to safety precautions or programs incident thereto. The review and approval of a separate item will not in itself indicate approval of the assembly in which the item functions. Any design shown on the Shop Drawings and prepared by the Contractor, his subcontractors, their detailers, or their professional engineers is the complete responsibility of the Contractor.

Within the number of working days hereinafter specified after receipt of the Shop Drawing prints, the Director shall approve or not approve the same or require corrections or additions to be made thereon. When a Shop Drawing is not approved or if additions or corrections are required, the Director shall return within this period one of the four copies submitted and the Contractor shall make the revisions, corrections or additions shown thereon to be made. He shall resubmit four prints and one brown-line (reproducible) showing the drawing corrected as required. The Contractor shall direct specific attention in writing to revisions other than the corrections called for by the Director on the previous submittal. Each drawing shall be corrected as required until the approval of the Director is obtained. After each resubmission, the Director shall have the number of working days hereinafter specified in which to approve revisions or corrections.

The number of working days within which the Director shall advise the Contractor as to whether the Shop Drawings are approved, not approved, or require corrections or additions to be made thereto shall be as follows, except that 20 working days shall be required for the Director to review shop drawings submitted with design calculations.

No. of Dwgs. Submitted Within 5 Consecutive Working Days for Each Discipline(*)	No. of Working Days for Director To Review each Shop Drawing
Up to 50	10
51 to 75	15
More than 75	20
* Disciplines shall be defined as follows: Structural, Architectural, Civil, Geotechnical, Mechanical, Electrical, Traffic and Environmental.	

Failure of the Contractor to provide 30 calendar days advance notice to the Director of any submittal shall result in a five (5) working day extension of the number of working days stated in the chart above. In no event shall an extension of the Director's review time provided for in this section relieve the Contractor from its duty to meet all contractual Milestone dates as set forth in Part II of this Contract..

As soon as approval has been given to any Shop Drawing or Catalog Cut, the Contractor shall within five days send to the Authority six prints, except that when the Director specifically so directs, nine prints shall be sent. After approval thereof, no change will be permitted thereon unless approved in writing by the Director.

Before final payment for the Work is made, the Contractor shall furnish to the Authority , one set of Shop Drawings, which have previously been prepared by the Contractor in accordance with requirements elsewhere specified in these Specifications, all clearly revised, completed and brought up to date showing the permanent construction as actually made. These drawings shall be marked "RECORD DRAWING – NOT FOR REVIEW", dated and signed by the Contractor and be in the form of Mylar reproducible, from which clear prints can be made. By signature, the Contractor is verifying that the drawing reflects the as-constructed condition.

All drawings, data, calculations and other papers of any type whatsoever, whether in the form of writing, figures or delineations, which are prepared in connection with this Contract and submitted to the Authority shall become the property of the Authority. The Authority shall have the non-exclusive right to use or permit the use of all such drawings, data and other papers and any ideas or methods represented thereby for any purpose and at any time without additional compensation. No such papers shall be deemed to have been given in confidence. Any statement or legend to the contrary in connection with such drawings, data or other papers and in conflict with the provisions of this paragraph shall be void and of no effect.

73. SUBSTITUTION

Where a proprietary item or make is specified or mentioned herein or called for or mentioned on the Contract Drawings and the phrases "similar and equal to" or "approved equal" are used in connection therewith, the utilization of any other item or make will be deemed a substitution. Substitution for the proprietary item or make specifically named may be made only in accordance with the Section hereof entitled "Workmanship and Materials" and in accordance with the following.

Whenever materials or equipment are specified or described in the Contract Drawings or Specifications by using the name of a proprietary item or the name of a particular supplier, the naming of the item is intended to establish the type, function and quality required. Unless the name is followed by words indicating that no substitution is permitted, materials or equipment of another supplier or manufacturer may be accepted by the Director if sufficient information and proof is submitted by the Contractor to permit the Director to determine that the material or equipment proposed is equivalent or equal to that named and the Director approves the substitution. The procedure for review by the Director will include the following. Requests for review of substitute items of material and equipment will not be accepted by the Director from anyone other than the Contractor. If the Contractor wishes to furnish or use a substitute item of material or equipment, the Contractor shall make a timely written application to the Director for approval thereof, certifying that the proposed substitution will perform at least the identical functions and achieve at least the identical results called for by the specified product and otherwise be equal to the specified product with regard to, including but not limited to, durability, maintenance, strength, energy costs and record of proven performance. The application shall state that the evaluation and approval of the proposed substitution shall not delay the Contractor's completion of the Work as required by the Contract, whether or not approval of the substitution will require a change in the construction and, in no event will the Contractor be granted an extension of time for completion of any portion of the Work for reasons related directly or indirectly to the evaluation of the proposed substitution or to the proposed substitution itself. Any variations of the proposed substitution from that specified shall be identified in the application, and maintenance, repair and replacement services for the substitution shall be indicated. The Director in its discretion may require the Contractor to furnish at the Contractor's expense additional laboratory test data concerning the proposed substitution.

Such submission to the Director shall be made only by including the requested substitution in the list of materials required to be submitted to the Authority in accordance with the Section hereof entitled "Inspections and Rejections" within forty-five calendar days after the receipt of the acceptance of the Contractor's Proposal. After the approval of said list, no substitutions will be permitted, except that a brand or make named in the Specifications may be submitted for approval in lieu of a brand or make on said list. Any such submission shall not imply, or impose on the Director, any obligation whatsoever to discuss, disclose or justify the reasons for his opinion, approval, acceptance or rejection.

The Director shall be the sole judge of as to whether a proposed substitution will be approved, and no substitution shall be ordered or utilized without the Director's prior written approval. The Director may require Contractor to furnish at Contractor's expense a special performance guarantee or other assurance with respect to any approved substitution. Furthermore, the approval of any substitute proprietary item or make shall not in any way entitle the Contractor to additional compensation therefore.

Notwithstanding such approval, however, the Contractor assumes the risk that such approved substitute item or make is not equal to that shown or specified and if at any time the substitution shall appear not to be so equal as determined by the Director he shall replace the substitution with that originally shown on the Contract Drawings or called for in the Specifications at his own cost and reimburse the Authority for any loss occurring on account of the substitution failing to be equal, notwithstanding that it had been previously approved for use by the Director.

The construction called for by the Contract Drawings and Specifications may be adapted for a particular proprietary item or make of material or equipment. Therefore, if any construction not required by the Contract Drawings or Specifications in their present form is necessary or desirable because of the use of a substitute item or make of material or equipment (even though such other item or make is approved by the Director), such construction shall be furnished or performed by the Contractor at his expense and subject to the approval of the Director.

74. WORKMANSHIP AND MATERIALS

Workmanship and materials shall in every respect be free from defects of any kind and shall be in accordance with the best modern practice and whenever the Contract Drawings, Specifications or directions of the Director admit of a doubt as to what is permissible or fail to note the quality of any construction the interpretation which calls for the best quality is to be followed. Workmanship shall conform to applicable Specifications, manufacturer's instructions and recommendations for installation of products for the applications shown on the Contract Drawings, all of which shall be subject to the provisions of the Section of Division 1 GENERAL PROVISIONS entitled "Inspections and Rejections".

All items provided in this Contract that use dates in the recording, storing or processing of information shall use such dates correctly at all times including using such dates correctly in the recording, storing or processing of information after January 1, 2000 (Year 2000 Compliant).

Materials and equipment incorporated into the Work shall be new except as may be otherwise herein specifically required, and shall comply with make, size, type and quality specified, or as specifically approved in writing by the Director in accordance with the Section of Division 1 GENERAL PROVISIONS entitled "Substitution".

Reference to standards of any society, institution, association, or governmental authority in the Specifications or on the Contract Drawings, whether specific or by implication, shall mean for such standards which are part of the building code in effect for Work of this Contract the edition date published in such code; and such references which are not part of the building code, shall mean the latest edition date in effect at the time of opening of Proposals upon the present Contract unless specifically stated otherwise.

If required by the Director, the Contractor shall furnish satisfactory evidence as to the kind and quality of materials and equipment to be employed by the Contractor in performing the Work. All materials and equipment shall be applied, installed, connected, erected, used, cleaned and conditioned in accordance with the approved instructions of the applicable supplier except as otherwise provided in the Contract Drawings or Specifications.

In case of a discrepancy between a description or requirement in the Contract Drawings and Specifications for any material or equipment and a catalog number or other designation for the same material or equipment (even though stated to be acceptable), the description or requirements shall control.

In various paragraphs of these Specifications, references may be made to certain standard or tentative specifications or requirements of various organizations. Unless otherwise stated, these references are to be construed as referring to the specifications and requirements in effect on the date set for opening bids upon the present Contract.

All inventions, ideas, designs and methods contained in the Specifications and Contract Drawings in which the Authority has or may acquire patent, copyright or other property rights are hereby expressly reserved for the exclusive use of the Authority. The Specifications and Contract Drawings contain confidential information which is disclosed only to enable this Contract to be performed. Said Specifications and Drawings must not be used for any purpose detrimental to the interest of the Authority and must not be produced or copied in whole or in part or used for furnishing information to others without the written consent of the Authority, provided, however, that the Contractor may, when the performance of the Contract so requires, furnish said information to others for the purpose of engaging or informing subcontractors and materialmen.

If, in accordance with this Contract, the Contractor furnishes research, development or consultative services in connection with the performance of the Contract and if in the course of such research, development or consultation patentable subject matter is produced by the Contractor, its officers, agents, employees, subcontractors or materialmen, the Authority shall have, without cost or expense to it, an irrevocable, non-exclusive, royalty-free license to make, have made, and use, either itself or by anyone on its behalf, such subject matter in connection with any activity now or hereafter engaged in or permitted by the Authority even after expiration or termination of this Contract. Promptly upon request by the Authority, the Contractor shall furnish or obtain from the appropriate person a form of license satisfactory to the Authority, but as between the Contractor and the Authority the license herein provided for shall nevertheless arise for the benefit of the Authority immediately upon the production of said subject matter and shall not await formal exemplification in a written license agreement as provided for above. Such license may be transferred by the Authority to its successors, immediate or otherwise, in the operation or ownership of any real or personal property now or hereafter owned or operated by the Authority, but such license shall not be otherwise transferable.

The right to use all material, software, firmware, compositions of matter, manufactures, apparatus, appliances, processes of manufacture or types of construction required in connection with this Contract and to which a patent, copyright or other intellectual property right applies or may apply shall be obtained by the Contractor without separate or additional compensation therefor, whether the same is patented, copyrighted or otherwise protected as an intellectual property right before, during or after the performance of the Contract.

The Contractor shall indemnify the Authority against and save it harmless from all loss and expense including reasonable attorney's fees incurred in the defense, settlement or satisfaction of any claims in the nature of patent, copyright or other intellectual property right infringement arising out of or in connection with the Authority uses, in accordance with the preceding two paragraphs of this numbered clause, of such subject matter or material, software, firmware, compositions of matter, manufactures, apparatus, appliances, processes of manufacture or types of construction to which a patent, copyright or other intellectual property right applies or may apply. If requested by the Authority in writing the Contractor shall conduct all negotiations with respect to and defend such claim without expense to the Authority. If the Authority be enjoined from using any of the facilities which form the subject matter of this Contract and as to which the Contractor is to indemnify the Authority against patent, copyright, trademark infringement or other intellectual property right claims, the Authority may, at its option and without thereby limiting any other right it may have hereunder or at law or in equity, require the Contractor to supply, temporarily or permanently, facilities not subject to such injunction and not infringing any patent, copyright or other intellectual property right or to remove all such facilities and refund the cost thereof to the Authority or to take such steps as may be necessary to ensure compliance by the Authority with such injunction, all to the satisfaction of the Authority and all without cost or expense to the Authority. In addition, the Contractor shall promptly and fully inform the Director in writing of any intellectual property rights disputes, whether existing or potential, of which it has knowledge, relating to any idea, design, method, material, equipment or any other matter related to the subject matter of this Agreement or coming to its attention in connection with this Contract

75. INSPECTIONS AND REJECTIONS

All Work and all construction, processes of manufacture and methods of construction involved in or related to the performance of the Work shall be at all times and places subject to inspection by the Authority, and the enumeration in these Specifications of particular portions of such Work, construction, processes of manufacture or methods of construction which will or may be inspected by the Director or such Inspectors shall not be deemed to imply that only such Work, construction, processes of manufacture and methods of construction will or may be so inspected. The Director shall be the judge of the quality and suitability of the Work, construction, processes of manufacture and methods of construction for the purposes for which they are used or to be used. Should they fail to meet his approval they shall be forthwith reconstructed, made good, replaced or corrected, as the case may be, by the Contractor at his own expense. Rejected material shall be removed immediately from the site. The fact that the Inspectors have approved the materials and workmanship shall not relieve the Contractor from his obligation to supply other material and workmanship when so ordered by the Director.

The Contractor, at his own expense, shall furnish such facilities and give such assistance for inspection as the Director may direct. In the case of materials required by the Specifications to be inspected in the factory or plant, and in the case of any other items which the Director may designate, the Contractor shall secure for the Director and his Inspectors free access to all parts of such factories or plants and shall furnish to the Director three copies of purchase orders, two copies of mill shipping statements and four copies of shipping statements. Moreover, in the case of such materials to be factory or plant inspected, the Contractor shall give at least ten days' notice to the Director of his intention to commence the manufacture or preparation of such materials.

Other than the materials and equipment specifically required to be inspected at the manufacturer's factory or plant, all materials will be inspected at the construction site and any portions thereof which are rejected by the Director shall be immediately removed from the construction site by the Contractor and shall be replaced with new materials by the Contractor at his own expense.

In the case of materials to be inspected at the construction site, the Contractor shall submit a list of all such materials in triplicate to the Director for his approval prior to ordering same. The list shall be submitted within forty-five calendar days after receipt of the notice of acceptance of bid and shall contain the following information:

a. Classification of submittal in accordance with the following:

   Class I - A submittal for record of an expressly specified item.

   Class II - A submittal of an item which conforms to an express generic specification or a submittal which is deemed by the Contractor to be identical to an expressly specified item.

   Class III - A submittal which is deemed by the Contractor to be functionally equivalent but not identical to a specified item.

b. In the case of Class II and Class III, the Contractor shall supply adequate information to the Director to enable the Director to compare the specified item and the proposed substitution. Information shall include, but need not be limited to, technical specifications, Catalog Cuts, drawings, references to existing installations and test data, or any other data required by the Director.

c. In the case of fabricated materials for which Shop Drawings are to be prepared, a brief description of the material and the statement "see Shop Drawings".

d. In the case of materials or equipment listed in manufacturer's catalogs, the list shall contain the vendor's name, the manufacturer's name, brand name, style designation, catalog number and, where the Specifications require catalog cuts, the statement "see catalog cut".

e. In the case of materials or equipment for which Shop Drawings are not to be prepared, and which are not listed in any catalog, the list shall contain a complete description of the material or equipment, which shall be in sufficient detail to describe completely the materials or equipment and quality therefore.

The Director shall advise the Contractor whether said list is approved or requires corrections or additions within the number of working days indicated in the chart below:

Type of Submittal	No. of Working Days for Director to Approve/Disapprove Items
Class I Material submittals	10
Portland Cement mix designs that require confirmation of the 28-day properties	35
Changes in asphalt mix designs that need to be confirmed with a batch mix at the plant	35
Class II Material submittals	20
Class III Material submittals	30

Failure of the Contractor to provide 30 calendar days advance notice to the Director of any submittal shall result in a five (5) working day extension of the number of days stated in the chart above. In no event shall an extension of the Director's review time provided for in this section relieve the Contractor from its duty to meet all contractual Milestone dates.

Within ten working days after receipt of said list, the Director shall notify the Contractor of which items are approved and which disapproved. Within two working days thereafter, the Contractor shall resubmit a new list covering those items which were disapproved. After each such re-submission the Director shall have a similar period of ten days in which to approve or disapprove.

Should any material or equipment be delivered to the construction site without having been placed on the aforementioned list and approved, it shall be immediately removed from the construction site by the Contractor at his own expense.

76. MANUFACTURERS' CERTIFICATION

Where materials and equipment are required by these Specifications to conform to certain standard or tentative specifications or requirements of any organizations, including American Society for Testing and Materials, American National Standards Institute, Association Rules for Grading Lumber, Federal Specifications, National Electrical Manufacturers Association, American Association of State Highway and Transportation Officials, American Water Works Association and the International Municipal Signal Association, the Contractor shall furnish to the Director the manufacturer's written certification that each of the materials or equipment conforms to the foregoing standard or tentative specifications. The certification shall be delivered to the Director prior to installation of the materials to which it refers. Such certifications shall not be binding or conclusive on the Authority and may be rejected at any time by the Director if incorrect, improper or otherwise unsatisfactory in his opinion.

77. NO RELEASE OF CONTRACTOR

Any provision of this Contract for testing, inspection or approval, and any actual testing, inspection or approval, of any materials, workmanship, plant, equipment, drawings, program, methods of procedure, or of any other thing done or furnished or proposed by the Contractor to be done or furnished in connection with the Contract is for the benefit of the Authority not the Contractor. Any approval of such things shall be construed merely to mean that at that time the Director knows of no good reason for objecting thereto. No such provision for testing or inspection, no omission of testing or inspection, and no such approval shall release the Contractor from his full responsibility for the accurate and complete performance of the Contract in accordance with the Contract Drawings and Specifications or from any duty, obligation or liability imposed upon him by the Contract or from responsibility for injuries to persons or damage to property.

78. ERRORS AND DISCREPANCIES

If, in the performance of the Contract, the Contractor discovers any errors or omissions in the Contract Drawings or Specifications, or in the marks, lines and elevations furnished by the Authority in the construction undertaken and executed by him, he shall immediately notify the Director and the Director shall promptly verify the same.

If with the knowledge of such error or omission and prior to the correction thereof, the Contractor proceeds with any construction affected thereby, he shall do so at his own risk and the construction so done shall not be considered as construction done under and in performance of this Contract unless and until approved and accepted.

79. DIFFERING SUBSURFACE CONDITIONS

If during the performance of Work, the Contractor becomes aware of any unanticipated subsurface conditions or has cause to suspect the presence of such condition, then the Contractor shall immediately notify the Director, or designee thereof verbally, to be followed immediately by written notification. The Contractor shall specify the nature, location, and impact on the Work of such conditions. The Contractor shall immediately stop Work in and secure the area against injury to persons or damage to property pending further instructions from the Director.

The Contractor shall then conduct all necessary investigations and testing of the subsurface conditions as directed by the Director to identify the character and extent of the unanticipated subsurface conditions and/or to satisfy applicable Federal, State and local laws, codes and ordinances and regulations and shall notify the Director accordingly. The investigation program shall be submitted to the Director for review and approval.

In the event the Contractor discovers such subsurface conditions during the performance of the Work and (i) special handling of such condition is necessary and required for the performance of the Work as determined by the Director; (ii) such special handling cannot be avoided or mitigated by the exercise of reasonable measures by the Contractor; and (iii) the Contractor actually incurs increased costs caused by such condition that could not have been reasonably anticipated from the Contract Drawings, Reference Drawings and Specifications and inspection of the construction site; then in such event, as approved by the Director, the Contractor shall, notwithstanding any provision in this Contract to the contrary, be compensated for such costs for special handling, including the necessary investigations and testing of subsurface conditions, in accordance with the provisions of the clause entitled “Compensation for Extra Work”.

80. ACCIDENTS AND FIRST AID PROVISIONS

The Contractor shall promptly report in writing to the Director and to the Authority Manager, Claims Administration all accidents whatsoever arising out of or in connection with the performance of the Contract, whether on or adjacent to the construction site, which result in death, injuries or property damage, giving full details and statements of witnesses. In addition, if death or serious injuries or serious damage is caused, the accident shall be reported immediately by telephone to both of the said representatives of the Authority.

The Contractor shall provide at the construction site such equipment and medical facilities as are necessary to supply first aid service, in case of accident, to any who may be injured in the progress of the Contract. He shall have standing arrangements for the removal and hospital treatment of any person who may be injured while engaged in the performance of the Contract.

If any claim is made by any third person against the Contractor or any subcontractor on account of any accident, the Contractor shall promptly report the fact in writing to the aforementioned representatives of the Authority, giving full details of the claim.

81. SAFETY PROVISIONS

In the performance of the Contract, the Contractor shall exercise every precaution to prevent injury to workers and the public or damage to property.

He shall, at his own expense, provide temporary structures, place such watchmen, design and erect such barricades, fences and railings, give such warnings, display such lights, signals and signs, exercise such precaution against fire, adopt and enforce such rules and regulations, and take such other precautions as may be necessary, desirable or proper, or as may be directed.

The temporary structures, other than those shown on the Contract Drawings, will be permitted only after the approval from the Director is requested and obtained in writing. Temporary structures shall be equipped with all OSHA facilities-washroom, potable water, eating area, first aid kit, eyewash and means of communications. All pertinent telephone numbers must be posted at site.

The Contractor shall employ for Work of the Contract a competent person conforming to the requirements of the Code of Federal Regulations 29 CFR 1926.32(f) who shall be designated by the Contractor as authorized to perform the duties required by 29 CFR 1926 et seq. as applicable for Work of this Contract.

The Contractor shall obtain and submit to the Director one copy of material safety data sheet (MSDS) conforming to the requirements of 29 CFR 1910.1200(g) for each hazardous chemical utilized for permanent and consumable materials employed for Work of this Contract. The Contractor is responsible for full compliance with OSHA Hazard Communication Standard of New York State Right to Know Law.

The Contractor shall, in its performance of the Work, comply with all Federal, state and Local environmental statutes and regulations, including but not limited to, the requirements of the Air Pollution Prevention and Control Act (42 U.S.C 7401 et seq.), Section 318 of the Water Pollution Prevention and Control Act (33 U.S.C. 1251 et seq.), and the New York State Environmental Conservation Law, and with all regulations and guidelines issued there under.

Any hazardous waste shall be disposed of in accordance with applicable law and implementing regulations.

A minimum of two (2) days prior to any excavating, the Contractor must notify the Director. The Contractor shall notify the NYC One Call Center to allow member agencies to mark locations of underground utilities prior to any excavating and confirm such notification with the Director.

In the case of emergency involving danger to life, person, or property, the Director may order continuous work with an increased force for such time, as he may deem necessary to eliminate the emergency.

The Contractor is responsible to guard, maintain and protect the wires, cables, ducts, manholes, posts and poles, signals, fire hydrants and alarm boxes of the NYC Fire Department and not cause the interruption of the Fire Department Fire Alarm Telegraph Service. In case any such wires, cables, ducts, manholes, posts and poles, signals, fire hydrants and alarm boxes shall be disturbed, it shall be restored to its original condition.

The Contractor shall be responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the Work. The Contractor shall take all necessary precautions for the safety of, and shall provide the necessary protection to prevent damage, injury or loss, including but not limited to:

a. All employees on the Work, the public, and other persons and entities who may be affected thereby;

b. All the Work, materials and equipment to be incorporated therein, whether in storage on or off the site; and

c. Other property at the site or adjacent thereto, including trees, shrubs, lawns, walks, pavements, roadways, structures, utilities and underground facilities not designated for removal, relocation or replacement in the course of construction.

The Contractor's duties and responsibilities for the safety and protection of the Work shall continue until such time as all the Work is completed and the Contractor has removed all workers, material and equipment from the construction site, or the issuance of the Certificate of Final Completion, whichever shall occur last.

Until fire protection needs are supplied by permanent facilities under this Contract, install and maintain temporary fire protection facilities. Comply with requirements of National Fire Protection Association NFPA 10 "Standard for Portable Fire Extinguishers" and NFPA 241 "Standard for Safeguarding Construction, Alteration and Demolition Operations".

The Contractor shall employ only such men as are physically fit and are free from contagious or communicable diseases.

The Contractor shall use only machinery and equipment adapted to operate with the least possible noise, and shall so conduct his operations that annoyance to occupants of nearby property and the general public will be reduced to a minimum.

The bringing of intoxicating substances onto the construction site and the use or consumption of intoxicating substances at the construction site are prohibited. It shall be the responsibility of the Contractor to insure that all employees of the Contractor and of all subcontractors, materialmen and any other persons under contract to or under the control of the Contractor shall comply with the provisions of this paragraph.

The Contractor shall daily clean up all refuse, rubbish, scrap materials and debris caused by his operations, to the end that at all times the construction site shall present a neat, orderly and workmanlike appearance. Before the Certificate of Final Completion of Work will be issued, the Contractor shall remove all surplus materials, falsework, temporary fences and other temporary structures, including foundations thereof, plant of any description and debris of every nature resulting from his operations and shall put the construction site in a neat, orderly condition.

In the event the Contractor encounters at the construction site, material reasonably believed to be asbestos, polychlorinated biphenyl (PCB) or any other hazardous material, the Contractor shall immediately stop Work in the area affected and report the condition in writing to the Director. Work in the affected area shall not thereafter be resumed by the Contractor except upon the issuance of a written order to that effect from the Director.

15 days prior to the commencement of Work, the Contractor shall submit to the Director, for his review and approval, the Contractor's Safety Program, which shall comply with all applicable federal, state, municipal and local and departmental laws and shall include, among other things, the designation by the Contractor of a qualified individual to administer such Safety Program.

This safety program shall address the safety requirements for performing work at or about the WTC site as defined in the Authority's WTC Site Safety Program, which is attached hereto.

82. SAFETY, HEALTH AND ENVIRONMENTAL PROVISIONS

A. Requirements included in this section are the minimum acceptable site requirements as referenced in the current version of the Port Authority World Trade Center Site Safety, Health and Environmental Program (herein referred to as "SHEP Program"), revisions to the SHEP Program, as well as all local, state and federal requirements. Where conflicts or discrepancies exist between requirements, the most stringent requirement shall govern. All required plans identified in the above program shall be submitted to the Engineer and others as identified in the SHEP Program for approval prior to the performance of the Work. The Contractor 's safety program ("Safety Program") shall address all the safety requirements for performing Work at or about the construction site as completely defined in the Port Authority's WTC Site Safety Program entitled "WTC Transportation Hub Site Safety Program", Downtown Restoration Program – The World Trade Center Site – Safety, Health and Environmental Program, which may be downloaded at:

   http://newpa1.panynj.gov/wtcprogress/procurement.html

B. The Contractor shall comply with all current and revised Legal Requirements with regard to all matters relating to the safety and health of workers, the general public, and environmental protection. Compliance with government requirements is mandated by law and considered only a minimum level of safety performance. All Work shall therefore be performed in accordance with best safe work practices recognized by the construction industry.
C. The Contractor shall be fully responsible for maintaining a safe, secure, and hygienic work place and for assuring that all Work is performed in a manner that will not be injurious to safety or health, endangering to the public, or deleterious to the environment.
D. In the performance of the Work, the Contractor shall exercise every precaution to prevent safety health and environmental hazards and incidents to site workers, the public, adjoining properties and utilities, and to secure against environmental releases. Fifteen (15) days prior to the commencement of Work, the Contractor shall submit to the Engineer, for his review and approval, the Contractor 's Safety Program, which shall comply with all applicable federal, state, municipal and local and departmental laws and shall include, among other things, the designation by the Contractor of a qualified individual to administer such Safety Program.
E. The Contractor whose scope of work is, or will be covered under New York City Department of Building's ("NYC

DOB") Chapter 33: Safeguards During Construction and Demolition, shall monitor and enforce job site safety through daily documented inspections by a NYC DOB Certified Site Safety Manager. A Certified Site Safety Manager shall be present at the worksite during all working hours, and shall have no other responsibilities other than the implementation and management of the Contractor 's Safety Program. The candidate shall have first-aid/CPR certification. The Contractor shall provide a copy of the proposed candidate's resume and credentials for review and approval by the Port Authority as the Certificate Site Safety Manager prior to the individual being hired.

F. The Contractor shall have present at the Project Site during all working hours a dedicated safety supervisor possessing at a minimum, a current and valid OSHA 30-Hour Construction Industry Training Card, First-Aid/CPR certification, and have at least five (5) years of documented experience as a safety professional with experience in the type of work to be performed. This safety supervisor shall be responsible for safety, health, and environmental compliance and shall have no other responsibilities other than safety management. The Contractor shall provide a copy of the proposed candidate's resume and credentials for review and approval by the Port Authority.

G. The Contractor shall designate, and shall have present on the Project Site with each work crew for the duration of that work shift, at least one (1) competent person as defined by the OSHA standard 29 CFR Part 1926.32, and as elsewhere referenced in other 29 CFR Part 1926 standards, and shall at a minimum perform the duties as described in 29 CFR 1926.20(b) (2). The designated competent person shall be responsible, and have the authority from his or her employer to take prompt corrective action to eliminate the hazard(s). At a minimum, each competent person shall posses a current and valid OSHA 30-Hour Construction Industry Training card and First-Aid/CPR certification. The Contractor shall assign, when required by a specific 29 CFR Part 1926 standard, a qualified or authorized person as defined in OSHA standard 29 CFR Part 1926.32.

H. The Contractor's duties and responsibilities for the safety and protection of the Work shall continue until such time as all the Work is completed and the Contractor has removed all workers, remaining materials and equipment from the construction site, or upon the issuance of the Port Authority Certificate of Final Completion, whichever shall occur last.

I. The Contractor shall promote to its employees a drug, alcohol and smoke-free workplace and shall communicate what constitutes prohibited activities while performing Work or providing services on the construction site during their safety orientation. Workers that are found to be under the influence of or in possession of alcohol and/or illegal drugs, in possession of weapons, or smoking anywhere on construction site shall be immediately removed and/or dismissed from the construction site with their construction site access credentials revoked, and/or subject to criminal prosecution as warranted by their action(s). As per the NYC Fire Code, section 1404.1 and NYC Building Code, sections 3301.1.2 and 3303.7, smoking on any construction site, inclusive of the WTC Site, is strictly prohibited and violations may be issued to the Contractor and/or other relevant parties.

J. The Contractor shall have a progressive disciplinary action program for all personnel who fail to enforce, follow or comply with established policies and procedures. Disciplinary action shall be handled through a 3-Strike Policy (i.e., 1-verbal, 2-written and/or limited removal from the construction site, 3-limited to permanent removal from the construction site); however, depending on the seriousness of the violation, immediate revocation of the employee's WTC Identification Badge can occur, as referenced in Section 9. Records shall be available for review by the Port Authority.

K. For work performed under OSHA 29 CFR 1926 Subpart M: Fall Protection, the Contractor shall submit to Engineer prior to the start of work a comprehensive and enforceable 100% Fall Protection and Prevention Program consistent with Subpart M as well as the requirements outlined in the SHEP Program. This program shall be followed by all employees, vendors, and consultants when working or walking on all unprotected vertical or horizontal side and edge, scaffold, and locations as identified in Subpart M, at a height equal to or greater than six (6) feet above a lower level, or at any height above a dangerous process, operation, or piece of equipment. Fall protection systems shall be designed by a qualified person, and shall be installed and maintained by a competent person.

L. For any applicable Work performed under OSHA 29 CFR 1926 Subpart R: Steel Erection, each Contractor shall submit to the Engineer prior to the start of Work a comprehensive and enforceable fall protection plan.

M. If applicable, the Contractor shall submit to the Engineer prior to the start of Work a comprehensive and enforceable plan outlining the securing and anchorage of all materials and equipment to resist uplift attributable to high wind hazards.

N. The Contractor shall provide a site safety orientation training session to their workers upon initial assignment. All

site workers shall attend weekly "tool-box" training sessions held by the Contractor, who shall distribute meeting information to all Project workers.

O. The Contractor shall ensure workers, and all Subcontractors and their workers, are properly trained and as required have in their possession while on-site valid and appropriate license(s), and/or certificate(s) consistent with regulations, laws, and best industry practices specific to their work activities and the tools/equipment being used as per manufacturer specifications. At a minimum, employees working at the construction site shall have a valid OSHA 10-Hour, 30-Hour Construction Safety and Health Certification card or be an authorized OSHA trainer for the construction industry. This certification must be renewed every five (5) years. A training matrix shall be readily available for review and audit on the construction site.

P. Depending upon the severity of a site condition or circumstances surrounding an accident or incident, the Port Authority may require the Contractor to order a "Safety Stand-down." Examples of conditions and circumstances that may prompt a Safety Stand-down include, but are not limited to:

1) Failure to maintain a safe and healthy work environment that could potentially result in danger to workers or the general public;
2) Recurring deficiencies;
3) Willful disregard of safety requirements;
4) Fatality, fire, explosion, significant injury, accident, or incident;
5) Chemical Release or Spill;
6) Failure to comply with Environmental Performance Commitments.

The length of the Safety Stand-down shall be determined by the extent and severity of the incident, and condition of the work area to safely allow the Work to resume. During the Safety Stand-down, the Contractor shall:

1) Inform the work crew as to the circumstances and reasons requiring the Stand-down;
2) Identify the type of training / re-training required;
3) Determine the type and extent of equipment / tool / machine inspection, perform the inspection, report findings, and correct.

A safety stand down is not a reimbursable event, and the Contractor responsible shall bear full financial responsibility for the event.

Q. The Contractor shall obtain and submit to the Engineer, Material Safety Data Sheets (MSDS) for all materials to be stored and used in the work. The MSDS shall be readily available whenever required, in a convenient location, in close proximity to where the materials are used on the project. All workers shall have ready access to the MSDS. The Contractor is responsible for full compliance with OSHA Hazard Communication Standard, 29 CFR 1910.1200.

R. The Contractor shall establish a housekeeping program to ensure that debris, trash, slippery items, standing water, spills, and combustible materials are removed off floors and other surfaces daily. At no time may access and egress ways be obstructed, indistinguishable or maintained in disrepair.

S. The Contractor shall establish the required programs, practices, means and methods to address and control the hazards associated with the Work. Examples of such plans include, but are not limited to, fall protection, fire protection and prevention, scaffold use, material handling and sling use, and hand/power tool safety.

T. The Contractor shall prepare an Emergency Action Plan as described in OSHA 29 CFR 1926.35, establish and maintain at all times at least two (2) access and egress ways on the Project, participate in construction site wide incident planning meeting, response and evacuation drills, and identify key support personnel.

U. In the event of an emergency impacting the construction site, the public, adjoining property and utilities, or the environment, the Engineer may order continuous Work with an increased work force for such time necessary to eliminate the emergency.

V. As required by the WTC SHEP, or when directed by the Engineer, a Job Hazard/Safety Analysis ("JHA") shall be prepared. For example, a JHA shall be required, at a minimum, for Confined Space Entry Operations, Excavations requiring shoring or bracing, Critical Lifts or any non-routine hazardous operation. Prior to an activity for which a JHA Analysis was prepared, a pre-work job briefing shall be held with the work crew, foremen, competent person, safety supervisor, and site safety manager and a record of this document shall be on site for review.

W. The Contractor shall in accordance with and all terms and conditions of applicable insurance policies, promptly report in writing to the Engineer and to the Port Authority all accidents whatsoever arising out of or in connection with the performance of the Work, whether on or adjacent to the construction site, which result in death, injuries, property damage, and/or exposure of people to chemicals or hazardous materials, giving full details and statements of witnesses. In addition, if death, serious injuries or serious damage is caused, the accident shall be reported immediately by telephone to the Port Authority.

X. The Contractor shall provide at the Project Site such equipment and medical facilities as are necessary to supply first aid service, in case of accident, to anyone who may be injured in the progress of the Work. The Contractor shall have standing arrangements for the removal from the construction site and hospital treatment of any person who may be injured while engaged in the performance of the Work. The Contractor shall provide two (2) First Aid/CPR trained individuals at the construction site to administer first aid, if required.

Y. If any claim is made by any third person against the Contractor or any Subcontractor on account of any accident, the Contractor shall promptly report the fact in writing to the aforementioned representatives of the Port Authority, giving full details of the claim, and shall cooperate throughout the disposition of the claim in accordance with the instructions and requests of all claim investigators.

Z. Each Contractor shall utilize the Port Authority Safety Management System Tracking Tool to document and track safety, health and environmental performance.

AA. As required, each Contractor shall complete and submit for approval Personnel Platform Lift Plans, Hot Work Program, Lifting Plans and similar documentation prior to the performance of such operations to the Engineer as identified in the Program or as required by the Engineer.

BB. Each Contractor shall on a daily basis inspect its motor vehicles, and mechanized equipment used at the construction site. At a minimum, the requirements of 29 CFR 1926, Subpart O shall be followed. Any vehicle or mechanized piece of equipment not in acceptable working condition shall be immediately removed from service. A log shall be maintained on the Project Site for review and audit.

CC. Each Contractor shall submit to the Engineer prior to the start of Work a comprehensive and enforceable plan addressing the performance of any abrasive blasting, surface scarification, steam or water blasting, or high pressure water cutting.

DD. Each Contractor shall submit to the Engineer prior to the start of Work a comprehensive and enforceable plan identifying all proposed access routes, staging areas, crane locations, temporary traffic signal controls, worker and pedestrian crossings, vehicular and pedestrian gates for exit and entry, barriers, barricades, lighting and fencing. The construction of temporary structures, other than those noted on Contract Drawings, shall require approval from the Engineer.

EE. Prior to an activity which will impede, alter, impair, block, or in any way deactivate an active standpipe, sprinkler system, smoke detection system, hydrant, or existing fire protection or prevention system the Contractor shall notify the Engineer. Prior to performing an activity described above, the Contractor shall submit to the Engineer for approval the following:

1) Date and duration of the impairment
2) Location and Scope of Work
3) Area(s) impacted
4) Name of Contractor performing the Work
5) Type of interim fire protection system that will in-place during impairment
6) Method of communicating emergencies
7) Name of person performing final inspection to verify work is complete and normal fire protection/prevention is active
8) Method of notifying the Engineer of completion

FF. The Contractor shall comply with the Rules of the City of New York (3RCNY §11-01) whereby all buildings under construction are subject to regular inspections conducted by the NYC Fire Department, Administrative Fire Company and the Bureau of Fire Prevention Construction, Demolition and Alteration (CDA) Civilian group.

GG. A minimum of two (2) business days prior to any excavating, the Contractor shall notify the Engineer. The Contractor shall also notify the NYC One Call Center to allow member agencies to mark locations of underground utilities prior to any excavating and shall confirm such notifications with the Engineer.

HH. Any hazardous waste shall be disposed of in accordance with applicable law and implementing regulations.

II. In case of emergency involving danger to life, person or property, the Engineer may order continuous Work with an increased force for such time as he may deem necessary to eliminate the emergency.

JJ. The Contractor is responsible to guard, maintain and protect the wires, cables, ducts, manholes, posts and poles, signals, fire hydrants, and alarm boxes of the NYC Fire Department and not cause any interruption of the Fire Department Fire Alarm Telegraph Service. In case any such wires, cables, ducts, manholes, posts and poles, signals, fire hydrants or alarm boxes shall be disturbed, they shall be restored to their original condition.

In the event that the Contractor encounters at the construction site material reasonably believed to be asbestos, polychlorinated biphenyl (PCB) or any other hazardous material, the Contractor shall immediately stop Work in the area affected and report the condition in writing to the Engineer. Work in the affected area shall not thereafter be resumed by the Contractor except upon the issuance of a written order to that effect from the Engineer.

83. NOTIFICATION OF SECURITY REQUIREMENTS

The Authority has the responsibility of ensuring safe, reliable and secure transportation facilities, systems, and projects to maintain the well-being and economic competitiveness of the region. Therefore, the Authority reserves the right to deny access to certain documents, sensitive security construction sites and facilities (including rental spaces) to any person that declines to abide by Port Authority security procedures and protocols, any person with a criminal record with respect to certain crimes or who may otherwise poses a threat to the construction site or facility security. The Authority reserves the right to impose multiple layers of security requirements on the Contractor, its staff and subcontractors and their staffs depending upon the level of security required, or may make any amendments with respect to such requirements as determined by the Authority.

These security requirements may include but are not limited to the following:

- Contractor/ Subcontractor identity checks and background screening

  The Port Authority's designated background screening provider may require inspection of not less than two forms of valid/current government issued identification (at least one having an official photograph) to verify staff's name and residence; screening federal, state, and/or local criminal justice agency information databases and files; screening of any terrorist identification files; access identification to include some form of biometric security methodology such as fingerprint, facial or iris scanning, or the like.

  The Contractor may be required to have its staff, and any subcontractor's staff, material-men, visitors or others over whom the Contractor/subcontractor has control, authorize the Authority or its designee to perform background checks, and a personal identity verification check. Such authorization shall be in a form acceptable to the Authority. The Contractor and subcontractors may also be required to use an organization designated by the Authority to perform the background checks.

  As of January 29, 2007, the Secure Worker Access Consortium (S.W.A.C.) is the only Port Authority approved provider to be used to conduct background screening and personal identity verification, except as otherwise required by federal law and/or regulation (such as the Transportation Worker Identification Credential for personnel performing in secure areas at Maritime facilities). Information about S.W.A.C., instructions, corporate enrollment, online applications, and location of processing centers can be found at http://www.secureworker.com, or S.W.A.C. may be contacted directly at (877) 522-7922 for more information and the latest pricing. The cost for said background checks for staff that pass and are granted a credential shall be reimbursable to the Contractor (and its subcontractors) as an out-of-pocket expense as provided herein. Staff that are rejected for a credential for any reason are not reimbursable.

- Issuance of Photo Identification Credential

No person will be permitted on or about the Authority construction site or facility (including rental spaces) without a facility-specific photo identification credential approved by the Authority. If the Authority requires facility-specific identification credential for the Contractor's and the subcontractor's staff, the Authority will supply such identification at no cost to the Contractor or its subcontractors. Such facility-specific identification credential shall remain the property of the Authority and shall be returned to the Authority at the completion or upon request prior to completion of the individual's assignment at the specific facility. It is the responsibility of the appropriate Contractor or subcontractor to immediately report to the Authority the loss of any staff member's individual facility-specific identification credential. The Contractor or subcontractor shall be billed for the cost of the replacement identification credential. Contractor's and subcontractor's staff shall display Identification badges in a conspicuous and clearly visible manner, when entering, working or leaving an Authority construction site or facility.

Employees may be required to produce not less than two forms of valid/current government issued identification having an official photograph and an original, unlaminated Social Security card for identify and SSN verification. Where applicable, for sensitive security construction sites or facilities, successful completion of the application, screening and identify verification for all employees of the Contractor and subcontractors shall be completed prior to their being provided their S.W.A.C. ID Photo Identification credentials.

- Access control, inspection, and monitoring by security guards

The Authority may provide for Authority construction site or facility (including rental spaces) access control, inspection and monitoring by Port Authority Police or Authority retained contractor security guards. However, this provision shall not relieve the Contractor of its responsibility to secure its equipment and work and that of its subconsultant/subcontractor's and service suppliers at the Authority construction site or facility (including rental spaces). In addition, the Contractor, subcontractor or service provider is not permitted to take photographs, digital images, electronic copying and/or electronic transmission or video recordings or make sketches on any other medium at the Authority construction sites or facilities (including rental spaces), except when necessary to perform the Work under this Contract, without prior written permission from the Authority. Upon request, any photograph, digital images, video recording or sketches made of the Authority construction site or facility shall be submitted to the Authority to determine compliance with this paragraph, which submission shall be conclusive and binding on the submitting entity.

- Compliance with the Port Authority Information Security Handbook

The Contract may require access to Port Authority information considered Protected Information ("PI") as defined in the Port Authority Information Security Handbook ("Handbook"), dated October, 2008, corrected as of November 14, 2013, and as may be further amended. The Handbook and its requirements are hereby incorporated into this agreement and will govern the possession, distribution and use of PI if at any point during the lifecycle of the project or solicitation it becomes necessary for the Contractor to have access to PI. Protecting sensitive information requires the application of uniform safeguarding measures to prevent unauthorized disclosure and to control any authorized disclosure of this information within the Port Authority or when released by the Port Authority to outside entities. The following is an outline of some of the procedures, obligations and directives contained in the Handbook:

(1) require that the Contractor and subcontractors, when appropriate, sign Non-Disclosure Agreements (NDAs), or an Acknowledgment of an existing NDA, provided by the Authority as a condition of being granted access to Protected Information categorized and protected as per the Handbook;
(2) require that individuals needing access to PI be required to undergo a background check, pursuant to the process and requirements noted in § 3.2 of the Information Security Handbook.
(3) require Contractors and commercial enterprises to attend training to ensure security awareness regarding Port Authority information;
(4) specific guidelines and requirements for the handling of PI to ensure that the storage and protection of PI;
(5) restrictions on the transfer, shipping, and mailing of PI;
(6) prohibitions on the publication, posting, modifying, copying, reproducing, republishing, uploading, transmitting, or distributing PI on websites or web pages. This may also include restricting persons, who either have not passed a pre-screening background check, or who have not been granted access to PI, from viewing such information;
(7) require that PI be destroyed using certain methods, measures or technology pursuant to the requirements set forth in the Handbook;

(8) require the Contractor to mandate that each of its subcontractors maintain the same levels of security required of the Contractor under any Port Authority awarded contract.

(9) prohibit the publication, exchange or dissemination of PI developed from the project or contained in reports, except between Contractors and subcontractors, without prior approval of the Port Authority;

(10) require that PI only be reproduced or copied pursuant to the requirements set forth in the Handbook.

- Audits for Compliance with Security Requirements

  The Port Authority may conduct random or scheduled examinations of business practices under this section entitled "NOTIFICATION OF SECURITY REQUIREMENTS" and the Handbook in order to assess the extent of compliance with security requirements, Protected Information procedures, protocols and practices, which may include, but not be limited to, verification of background check status, confirmation of completion of specified training, and/or a site visit to view material storage locations and protocols.

84. GENERAL UNIFORM REQUIREMENTS FOR CONTRACTOR'S PERSONNEL

In addition to any specific uniform requirements that may be required by the Specifications, uniforms must be worn at all times during which the Services are being performed hereunder. The Contractor agrees that his/her employees will present a neat, clean and orderly appearance at all times. Uniforms shall include the Contractor's identification badge with picture ID bearing the employee's name. All uniforms, colors, types and styles shall be subject to the prior approval of the Superintendent/Manager. The Contractor will also be responsible for ensuring that its employees are wearing shoes appropriate for the tasks performed. The Superintendent/Manager shall have the right to require removal of any employee who shall fail to wear the proper uniform and shoes, and the exercise of this right shall not limit the obligation of the Contractor to perform the Services or to furnish any required number of employees at a specific location at the Site as specified.

85. RECYCLING OF CONSTRUCTION DEBRIS MATERIAL

The Contractor shall remove from Authority property all construction debris, demolition debris and other debris material generated from the performance of the Work of this Contract unless the material is deemed acceptable by the Director for on-site re-use or recycling in accordance with the technical requirements of this Contract and remains at the Work site. The Contractor shall transport to recycling facilities or re-use and recycle on-site for this Contract, as applicable, no less than 75% by weight of the following types of designated debris material, to the extent arising from the Work of this Contract:

Asphalt Concrete

Portland Cement Concrete

Steel

Excess Unrestricted Soil

During the process of removal of all such designated debris material from Authority property, the Contractor shall submit to the Director on a monthly basis a Designated Debris Material Assessment Summary indicating the actual types and quantities by weight of the designated debris material removed for this Contract up to that point in time. In addition, the Designated Debris Material Assessment Summary shall also include types and quantities by weight of designated debris material actually re-used or recycled on-site in this Contract or, if shown on the Contract Drawings, are stockpiled for future use by the Authority. The Designated Debris Material Assessment Summary shall be accompanied by written verification from recycling and landfill destinations identifying the originating

Work site, quantity of material delivered and type of debris material for all designated debris material removed from the Work site.

Within 15 days of the acceptance of his Proposal, the Contractor shall submit to the Director for review the Contractor's Designated Debris Material Assessment Plan indicating the anticipated types and anticipated quantities by weight and the intended destinations for all such designated debris material to be removed from the Work site. The Designated Debris Material Assessment Plan shall also indicate anticipated types and anticipated quantities by weight of all such designated debris material to remain at the Work site for re-use or recycling in this Contract as applicable.

All removals shall be completed promptly upon the completion of construction under this Contract.

86. DAILY PROGRESS, EQUIPMENT AND LABOR REPORTS

The Contractor shall furnish to the Authority at the end of each day Work is performed at the construction site, a memorandum showing for that day (a) the construction performed, (b) the type of equipment used identifying each piece of equipment as owned by the Contractor or rented from others; (c) a statement of any unusual happening that occurred, and (d) the names and number of workers in each trade classification that were employed at the construction site. Such memorandum shall not be deemed to be a substitute for the notices, time slips, memoranda or other data required under the clauses of the Form of Contract relating to compensation for Extra Work.

87. LAWS AND ORDINANCES

In order to effectuate the policy of the Authority, the Contractor shall comply with all provisions of federal, state, municipal, local and departmental laws, ordinances, rules, regulations and orders which would affect the Contract and the performance thereof and those engaged therein if said Contract were being performed for a private corporation, except where stricter requirements are contained in the Specifications or Contract Drawings, in which event the latter requirements shall apply. However, the Contractor shall not apply for any permits, licenses or variances in the name of or on behalf of the Authority, but shall do so in his own name where required by law, regulation or order or by the immediately preceding sentence. Nor shall the Contractor apply for any variance in his own name without first obtaining the approval of the Authority.

88. SIGNS

No advertisement or sign, other than the name and address of the Contractor, will be permitted on any fences, temporary structures or elsewhere on the construction site and such advertisement will be permitted only upon the condition that it is first approved by the Director. In any event, the advertisement shall not exceed six feet by eight feet in overall dimensions.

89. CONTRACTOR'S FIELD OFFICE AND REPRESENTATIVE

There are no provisions for space to place or locate office trailers and/or shanties on site.

During the performance of any Work at the construction site, the Contractor shall have a representative there who shall be authorized by the Contractor to receive and put into effect promptly all orders, directions and instructions from the Director. The Contractor's representative shall be provided, at all times, with a conformed copy of this Contract and a set of the Contract Drawings.

Orders and directions may be given orally by the Director and shall be received and promptly obeyed by the Contractor or his representative or any superintendent, foreman or other employee of the Contractor who may have charge of the particular part of the Work in relation to which the orders or directions are given. A confirmation in writing of such orders or directions will be given by the Director when so requested by the Contractor.

90. CONTRACTOR’S VEHICLES – PARKING - LICENSES

At the discretion of the Superintendent/Manager, the Port Authority may permit the Contractor, during the effective period of this Contract, to park vehicle(s) used by it in its operations hereunder in such location as may from time to time or at any time be designated by the Superintendent/Manager. The Contractor shall comply with such existing rules, regulations and procedures as are now in force and such reasonable future rules, regulations and procedures as may hereafter be adopted by the Port Authority for the safety and convenience of persons who park automotive vehicles in any parking area at the Site or for the safety and proper persons who park automotive vehicles in any parking area at the Site or for the safety and proper identification of such vehicles, and the Contractor shall also comply with any and all directions pertaining to such parking which may be given from time to time and at any time by the Superintendent/Manager. Any vehicle used by the Contractor hereunder shall be marked or placarded, identifying it as the Contractor’s vehicle.

91. SUPERINTENDENT/MANAGER'S AUTHORITY

In the performance of the Work hereunder, the Contractor shall conform to all orders, directions and requirements of the Superintendent/Manager and shall perform the Work hereunder to the satisfaction of the Superintendent/Manager at such times and places, by such methods and in such manner and sequence as he/she may require, and the Contract shall at all stages be subject to his/her inspection. The Superintendent/Manager shall determine the amount, quality, acceptability and fitness of all parts of the Work and shall interpret the Specifications and any orders for Extra Work. The Contractor shall employ no equipment, materials, methods or staff or personnel to which the Superintendent/Manager objects. Upon request, the Superintendent/Manager shall confirm in writing any oral order, direction, requirement or determination.

The Superintendent/Manager shall have the authority to decide all questions in connection with the Services to be performed hereunder. The exercise by the Superintendent/Manager of the powers and authorities vested in him/her by this section shall be binding and final upon the Port Authority and the Contractor.

92. SURVEYS

The Director will establish a bench mark and a base line at or adjacent to the location of the Contractor's operations. The Contractor shall perform all surveys which may be required for the performance of the Contract. He shall carefully preserve any base line and bench mark which may be established by the Director.

The Contractor shall, in addition, furnish to the Director, without additional compensation therefore, any or all information and data regarding points, lines, grades, elevations and other survey information established by the Contractor during the performance of the Contract.

Surveys and measurements of quantities for purposes of computing Contractor's compensation shall be made by the Contractor as directed by and in the presence of, or jointly with, the Director, at the Director's option. Computations of quantities for payment shall be made by the Contractor and shall be subject to the approval of the Director.

93. TEMPORARY STRUCTURES

Unless otherwise provided in this Contract, the Contractor shall determine the need for and shall design, furnish and construct all barricades, fences, staging, falsework, formwork, shoring, scaffolding and other temporary structures required in the performance of the Contract, whether or not of the type enumerated in the Specifications or on the Contract Drawings, including those which would be required by law or regulation if this Contract were being performed for a private corporation. All such temporary structures shall be of adequate strength for the purposes for which they are constructed and shall be provided with graphics, warning signs and warning lights, as required, to inform personnel and the public of the hazards being protected against, and the Contractor shall maintain them in satisfactory condition. The design and drawings for such structures shall be prepared by the Contractor utilizing a professional engineer licensed in the state where the structure will be constructed, and when requested by the Director they shall be submitted for his review before being used.

The Contractor shall ensure that each temporary structure is inspected by the professional engineer who designed the temporary structure prior to initial use and submit a schedule of periodic inspections to be performed by such professional engineer to the Director for review. The number of periodic inspections of temporary structures to be performed by the professional engineer shall be the minimum required by law or regulation if this Contract were being performed for a private corporation. The Contractor shall also submit a signed and sealed statement of inspection from the professional engineer performing the inspection of the temporary structure, including a statement of fitness for use for the intended purpose of the temporary structure, to the Director for review.

Neither such approval, however, nor any requirements of the Director, the Specifications or the Contract Drawings shall relieve the Contractor of his responsibility for the design, construction and use of the temporary structures or from any obligations and risks imposed on him under this Contract, and any such approval or requirements shall be deemed merely to relate to minimum standards and not to indicate that the temporary structures are adequate or that they meet the Contractor's obligations under this Contract.

Temporary structures shall be painted with an approved dark color paint and shall be repainted whenever necessary during the period that the Contract is being performed. Upon completion of all Work under this Contract, the temporary structures shall be removed from the construction site.

94. PERMIT AND REQUIREMENTS FOR WELDING

Prior to the commencement of any cutting or welding operations at the construction site, the Contractor shall notify the Authority , and obtain an Authority cutting and welding permit. The Authority will issue this permit without payment of a fee, and application forms may be obtained from any Resident Engineer of the Authority, at his office at the facility. Unless otherwise approved by the Director, all cutting and welding operations shall be performed in accordance with the conditions which form a part of said permit. The permit application must be filled out and submitted in duplicate to the Director at least forty-eight hours prior to commencing welding or cutting operations at the construction site.

95. FINAL INSPECTION

When, in the opinion of the Contractor, the construction is completed and ready for final inspection, he shall so notify the Director in writing and the Director will give said construction (including any portions with respect to which Certificates of Partial Completion have been issued) a minute and thorough inspection. Before any Certificate of Final Completion will be issued, any defects or omissions noted on this inspection must be corrected by the Contractor.

96. TEMPORARY UTILITY SERVICES

The Contractor shall operate and maintain temporary services and facilities in a safe and efficient manner. The Contractor shall modify as required throughout progress of the Contract, and remove from Authority property when no longer required, or replaced by the use of completed permanent facilities as approved by the Director.

Heat is not available at the construction site. Provide temporary heat as required to maintain environmental conditions to facilitate progress of the Work and to protect materials and finishes from damage due to temperature and humidity. Temporary heating units shall be vented self-contained units with individual space thermostatic control, shall be UL tested and approved for the fuel being consumed, shall be installed in accordance with ANSI A10.10 "Safety Requirements for Temporary and Portable Space Heating Devices and Equipment Used in the Construction Industry", and shall be approved by the Director. Use of gasoline burning space heaters, open flame, or salamander type heating units is prohibited. The Contractor shall pay costs of installation, maintenance, operation, removal and for fuel consumed.

Electricity is not available at the construction site. The Contractor shall provide electricity for construction purposes and artificial light by use of portable generator(s) or arrangement with the local utility company. The Contractor shall pay all costs of installation, maintenance, operation, removal and for service and power used.

Water for construction purposes is available at the construction site, subject to such conditions and precautions upon its use as may be imposed by the Director. The Authority will pay the cost for water used. The Contractor shall provide connections to existing facilities, and extend with branch piping, taps and hoses as required. The Contractor shall protect piping and fittings against freezing. The Contractor shall pay all costs of installation, maintenance, operation and removal for temporary service connections.

97. TEMPORARY SANITARY FACILITIES

The Contractor shall make arrangements for securing and pay all costs for temporary toilets, wash facilities and drinking water including toilet tissue, paper towels, paper cups and similar disposable materials for use by the Contractor, subcontractors, materialmen or other persons over whom the Contractor has control. Comply with regulations and health codes, which would be applicable if the Authority were a private corporation, for the type, number, location, operation and maintenance of fixtures and facilities. Install facilities where directed by the Director, and remove from Authority property when no longer required.

98. PROGRESS SCHEDULE

a. Schedule Requirements

1) The Contractor shall, at its own expense, prepare, maintain and update detailed electronic progress schedules for the Director's review and approval as hereinafter defined. All submittals required herein shall be in the form and content stipulated in this Section. Each progress schedule shall bear the signature of the Contractor's authorized representative. The progress schedules/graphics required by this Contract shall be produced using Primavera Project Manager (P6), Version 6.2.

2) Progress schedules shall be sufficiently detailed to accurately depict all the Work (including any design, key submittals, procurement and construction activities performed by the Contractor) and shall graphically represent the logical sequence and duration of activities, all in accordance with the requirements of the Contract. The information provided in progress schedules shall also include, but not be limited to, the interdependencies between the Contractors' Activities and all other Activities required for the successful completion of the Contract, e.g., those to be performed by utility companies or by other contractors or agencies. All Milestone dates specified in the Contract shall be represented in the schedule by Milestone activities that are logically interrelated to the work that must be accomplished in order to achieve the Milestone.

3) Contractor shall coordinate with Port Authority staff as directed by the Director in developing a Work Breakdown Structure that can be standardized and integrated into the Program Integrated Master Schedule. Contractor shall include INTERPROJECT and INTRAPROJECT MILESTONES as directed by the Director to facilitate the logical linking of schedules.

4) The Progress Schedule must identify the cost to perform work utilizing summary activities for each major component of the work and construction discipline. The sum of the costs assigned to all summary activities must equal the Contract Value. Once the cost loaded Progress Schedule is approved by the Director, it will constitute the Schedule of Values from which monthly progress payments will be made.

5) The submittal of Progress Schedules under this section shall not be deemed to be a substitute for the reporting requirements of the Section of Division 1 entitled "Daily Progress, Equipment and Labor Reports."

b. Schedule Terminology

Schedule terminology used in this Contract shall have the meaning described below:

1) **Activity**: A discrete item of Work with a Duration that can be clearly defined; a synonym for task. Unless otherwise permitted in writing by the Director, an activity's duration shall be not more than 20 calendar days

2) **Activity Codes**: Activity Codes allow each activity in a project to be grouped into specific classifications such as area, responsibility, phase, system, or location. The codes consist of specific values and descriptive titles that are entered into the data dictionary of the scheduling software. Activities are assigned specific Activity Codes as appropriate.

3) **Alternative Solutions**: An analysis of the various options for dealing with encountered or anticipated Contract problems. An alternative solution is developed to assist in determining the best method(s) of preventing or correcting any impediments to the progress of the Work. Alternative Solutions analysis shall indicate impacts on scheduling and resources.

4) **Analysis Report**: A report that displays the impacts of all variances reported in the Current Progress Schedule. The Analysis Report focuses attention on the impacts of variances between planned and actual performance, so as to support an assessment of such impacts. The Analysis Report shall include Alternative Solutions.

5) **Bar Chart**: A schedule display designed to complement the Network Diagram. The Bar Chart is a traditional Gantt chart, to which the Early Start Dates, Early Finish Dates, Late Start Dates, Late Finish Dates, and Critical Path have been added.

6) **Calendar**: A calendar defines when work on an activity can occur (i.e. Mon – Fri for a standard work week). Activities shall be assigned to a Calendar that represents the planned work days and hours of work.

7) **Constraint**: A constraint is a restriction imposed on the start or finish of an activity or project. An example of the use of constraints is the imposition of a "finish no later than" constraint[9] on the project completion Milestone that is equal to the Contract Completion date. This constraint facilitates the identification of activities that control or do not support the completion date. Constraints shall be limited to start and finish constraints on Milestone activities that represent critical Contract dates, unless otherwise approved by the Director in writing.

8) **Critical Path**: The longest path through the network in estimated total elapsed time from the start of the first Activity through the completion of the last Activity. The Critical Path consists of a series of Activities which must be completed on their scheduled completion dates in order for the Contract to be completed on schedule.

9) **Current Progress Schedule**: The most recent progress schedule which has been approved by the Director. The Baseline Schedule shall be referred to as "Revision 0". Each time a different Current Progress Schedule is accepted by the Director, the revision number must be increased by 1, and the old schedule must be electronically archived, so as to permit an audit trail.

10) **Duration**: The estimated and/or actual length of time required to fully perform a specific Activity. The Duration is expressed in work days. Activity duration shall be based on the labor, equipment and materials required to perform each activity given the available hours of work. No construction activity shall have a duration over 20 (twenty) working days.

11) **Early Finish Date**: The date upon which an Activity can be completed if it is begun on the Early Start Date.

12) **Early Start Date**: The earliest date upon which an Activity can begin.

13) **WBS Summary**: A WBS Summary activity summarizing the early and late dates of a set of activities is used for reporting durations of groups of important activities. An activity shall be designated as a WBS Summary by selecting WBS Summary as the activity type in the Primavera activity details form.

14) **Lag**: The interval between the completion of a Predecessor Activity and the start of a Successor Activity. For example, ten days of positive Lag will cause the Successor Activity to begin ten days after the Predecessor Activity has been completed. Negative Lag will cause the Activities to overlap. The amount of Lag between each Activity shall be clearly represented on the Network Diagram.

15) **Late Finish Date**: The latest date by which an Activity must be completed if the succeeding Activity is to be started on schedule.

16) **Late Start Date**: The latest date by which an Activity must be started to allow completion by the Late Finish Date.

17) **Milestone**: A significant point in the performance of the Work. A milestone has no Duration, and represents the start of a portion of the Work or the completion of a portion of the Work. A milestone may also represent either the beginning or the completion of a task or action being performed by entities other than the Contractor (e.g., obtaining a permit, notification to proceed with certain Work, etc.).

18) **Negative Float**: The amount of time that the planned completion date of an Activity is later than its required (Late Finish) date. An Activity with Negative Float must be completed ahead of schedule if the Work is to be completed on time. Negative Float usually indicates the need for corrective and/or preventive action to complete the Work on schedule.

19) **Network Diagram**: A logic diagram prepared according to the Precedence Diagram Method, which displays each Activity required for the performance of the Contract in the sequence in which it is to be performed with appropriate logic ties between activities displayed.

20) **Baseline Schedule**: The detailed progress schedule first approved by the Director as provided for in the Contract.

21) **Precedence Diagram Method (PDM)**: A particular type of graphic representation of all Activities and Constraints. The Activities are represented by nodes; the Constraints are represented by lines between nodes. A sample PDM Network Diagram appears in this Section.

22) **Predecessor Activity**: An Activity which is a prerequisite to commencement of another Activity.

23) **Preliminary Progress Schedule**: A detailed progress schedule for Work to be performed within one hundred days after the acceptance of the Contractor's Proposal.

24) **Relationship**: a logic tie between two activities representing restrictions on the start or completion of the subsequent activity. Relationships may cause either positive or negative lag. The four basic types of relationships are finish to start, start to start, finish to finish, and start to finish.

25) **Successor Activity**: An Activity which cannot be started or completed without the prior completion or partial completion of a Predecessor Activity.

26) **Total Float**: The amount of time by which an Activity or series of Activities may be delayed without affecting the date of completion of the Work

27) **Free Float** – the amount of time that an activity's early start can be delayed without delaying the early start of a successor activity. The Contractor acknowledges and agrees that if an activity with Free Float is delayed for any reason, the Contractor will not thereby be entitled to an extension of time.**Schedule Submittal, Review & Approval Process.**

28) **Baseline Schedule**

a. Within twenty (20) calendar days of the acceptance of the Contractor's Proposal, the Contractor shall submit a proposed Baseline Schedule containing the Contractor's projected plan and schedule to complete all Work required by the Contract within the time(s) for completion required by the Contract. A schedule showing time(s) for completion other than those required by the Contract will not be accepted. Schedules containing more than 2 (two) "open end" activities (an activity which has no successor or predecessor relationship to other activities) will not be accepted.

b. The Director will review the proposed Baseline Schedule and return it to the Contractor with comments, or accept it as the official Baseline Schedule, within five (7) calendar days. The Contractor shall participate in any meetings called to resolve issues with the schedule.

c. If it is not accepted, the Contractor shall revise the Baseline Schedule in accordance with the Director's comments and resubmit three printed reports and one diskette for the Director's approval, within ten (7) calendar days of the receipt by the Contractor of the Director's comments. Until such time as the Director accepts it, the Contractor shall resubmit his proposed Baseline Schedule as requested by the Director within the same time frame and in the same format as required by this paragraph for the initial resubmission.

d. After the approval of any progress schedule required by this Section no changes shall be made therein without the written approval of the Director. No other act or omission on the part of the Director shall be deemed to constitute such approval. The Contractor shall not be entitled to any damages by reason of the failure of the Director to give timely approval or comments on any progress schedule submitted hereunder.

29) **Progress Schedule Updates**

a. The Contractor shall submit to the Director not less frequently than once a month, on the 7th calendar day of the month (or first business day thereafter if the 7th calendar day falls on a weekend), an update of the current Progress Schedule. Schedule updates shall status the actual performance and progress of the Work and depict any changes.

b. Within seven (7) calendar days after receipt by the Director of an updated progress schedule, the Contractor shall meet with the Director for the purpose of reviewing and obtaining the Director's approval of it.

c. The Director may require the Contractor to furnish a revised update which shall include any other information he may request to assist him in evaluating the Contractor's progress, including but not limited to manpower loading charts and equipment schedules; "what-if" analysis performed in a copy of the current progress schedule, etc.

d. In the event that the Director requests the Contractor to revise the updated schedule submitted, and/or to submit such additional information, the Contractor shall make the requested revisions and/or submit the updated schedule to the Director for approval along with the additional information requested within seven (7) calendar days of the Director's request.

c. Schedule Reporting Requirements

1) The preliminary schedule submittal shall include one computer diskette and three copies of the following output reports:

a. A time-scale logic diagram in PDM format containing all activities displaying Activity ID, Activity Description, Calendar, original and remaining durations, percent complete, Early and Late Dates, and Total Float, and sorted by:

(i) Early Start, Early Finish, Total Float

(ii) Total Float, Early Start (Critical path report)

(iii) Late Start, Late Finish (if required by the Director)

b. A tabular Predecessor and Successor standard report showing the relationships between all activities in the schedule and sorted by ES, TF (if required by the Director)

c. Any other information which may be requested by the Director to assist him in the evaluation

2) The baseline schedule submittal shall include one computer diskette and six copies of the following output reports:

   a. A Schedule narrative that generally describes the Contractor's approach to meeting the project goals, lists the Critical Path Activities and compares Early and Late Dates with Contract Times and Milestone Dates. The basis for any constrained dates shall be explained.

   b. A one-page time scaled Summary Schedule consisting of 20-40 WBS Summary activities or summary bars that show the entire project broken down into major portions of work, as agreed to by the Contractor and Director.

   c. A time-scale logic diagram in PDM format containing all activities displaying Activity ID, Activity Description, Calendar, original and remaining durations, percent complete, Early and Late Dates, and Total Float, and sorted by:

      (i) Early Start, Early Finish, Total Float

      (ii) Total Float, Early Start (Critical path report)

      (iii) Late Start, Late Finish (if required by the Director)

   d. A tabular Predecessor and Successor standard report showing the relationships between all activities in the schedule and sorted by ES, TF (if required by the Director).

   e. Supporting data showing all activities with their associated cost, budgets or estimates

   f. Any other information that may be requested by the Director to assist him in evaluation of the Contractor's progress. Such information may include, but not be limited to, the following:

   (i) Cost Loading

   (ii) Manpower loading charts

   (iii) Equipment schedules

   g. The Contractor shall electronically archive all accepted schedules

3) In addition to the reports required for the Baseline Schedule submittal, all progress Schedule Update Reports shall include the following:

   a. A narrative comparing the current dates to the respective Milestone Dates, describing the physical progress during the current report period, explaining plans for continuing the work during the next report period and describing and explaining changes in crewing and construction equipment. The narrative shall also explain changes in Activity durations, logic ties and Activity Values and the reason why the change was made.

   b. Whenever there is any delay or negative float prediction in the schedule, the Contractor shall submit an alternative solutions report that describes the delay, explains when it started and finished or is expected to finish and the basis for those dates, lists the affected schedule activities by activity ID, and discuss who the contractor feels is responsible. Any revisions to durations or the logical sequence of Activities made to reflect these delays must be explained. The report shall propose appropriate schedule recovery such as multiple shifts or overtime to mitigate any potential delay to the overall project completion date, or request an extension of time, as appropriate.

   c. A revised Network Diagram sorted by Early Start and Early Finish indicating actual start and finish dates and the remaining duration and percent complete of activities in progress. The critical path of the project shall be clearly shown.

   d. An Analysis Report indicating Activities and/or Milestones which are behind schedule by at least 30 calendar days (commonly evidenced by Negative Float).

   e. A report that compares the Current Progress Schedule update with the Baseline and prior month's accepted schedule update and lists all changes made to the schedule.

d. General Schedule Provisions

1) Should the Contractor fail to comply with any provision of this Section, The Director shall have the right in its discretion to withhold out of any payment (final or otherwise and even though such payment has already been certified as due) such sums as it deems necessary or desirable, all as more fully provided in the clause of the Form of Contract entitled "Withholding of Payments".
2) Neither the acceptance, review or approval of any progress schedule or other data submitted by the Contractor pursuant to this Section, nor any other action on the part of the Director under this Section shall in any way be deemed as a representation by the Director that the Contractor can or will be permitted to follow a particular schedule or sequence of operations or that by following any such schedule or sequence he can or will complete the Work by the time(s) required by the Contract or by any other time(s). Nor shall the approval of any progress schedule or other such data relieve the Contractor of his obligation to complete the Contract by the time(s) required in the Contract, even though the schedule may be inconsistent with such completion.
3) Any approval under this Section shall be construed merely to mean that the Director knew of no good reason at that time to object thereto. No acceptance, review or approval or any other action under this Section shall limit, affect or impair the Contractor's obligation to perform all Work by time(s) required by the Contract and in accordance with all other provisions of the Contract.
4) The performance of the Work by the time(s) required in the Contract, after taking into account extensions to which the Contractor may be entitled under the clause "Extensions of Time", may require the use by the Contractor of overtime labor, additional shifts or additional plant and equipment and/or other measures at no additional cost to the Authority. The Contractor shall anticipate, avoid and mitigate the effects of all delays.
5) The Director shall have the right at any time when in his judgment the Work is not proceeding in accordance with the approved progress schedule or at any time when it is likely that the Work might not be completed by the time(s) required in the Form of Contract even though the Contractor is proceeding in accordance with the approved progress schedule, to order the Contractor without additional compensation, to employ additional shifts to increase the number of men employed, to use additional plant or equipment, or to take such other steps as may be necessary or required to assure the completion within the time(s) shown in the accepted schedule.
6) No action on the part of the Contractor pursuant to this Section shall be construed as a request by him for an extension of the time(s) for completion required by the Contract. A request for an extension of time shall be deemed made only if it complies with the requirements of the clause of the Form of Contract entitled "Extensions of Time". No extension of the time(s) for completion shall be inferred because of any action, omission to act, or statement on behalf of the Director pursuant to this Section. Extension of time, if any, shall be granted only pursuant to the clause of the Form of Contract entitled "Extensions of Time".
7) The Contractor acknowledges and agrees that he is not entitled to an extension of time for impacts that do not extend the contractual end date of the project.
8) Schedule float time disclosed or implied is not for exclusive use or benefit of the Authority or contractor but is available to all parties as needed to meet contract Milestones and the contract completion dates.
9) Techniques such as preferential sequencing, special lead/lag logic restraints, extended activity times or imposed dates that tend to sequester float shall be cause for rejection of the detailed Project Schedule and any revisions or updates

MANDATORY ACTIVITY CODES

1) Responsibility (Owner, Contractor)
2) Area (building, floor or area)
3) Trade/CSI code (concrete, steel, etc as required)
4) Elevation (EL 240, 254, 274, 285 etc)
5) Phase of Work, if applicable
6) Change Order work, if applicable

7) Other, as required by the Director

99. ANALYSIS OF BID

Within fifteen (15) calendar days after acceptance of the Proposal, the Contractor shall prepare a detailed analysis of bid on forms furnished by the Authority with all of the spaces filled in without exception, and containing such information as the Director may require for each of the items enumerated in such form.

100. CONDITIONS AND PRECAUTIONS

a. Construction Site Conditions:

1) Notwithstanding restrictions specified elsewhere herein, during the time the Contractor is performing the Work, it may at times be necessary, because of emergency conditions, to suspend the Contractor's operations or to postpone the time at which a work area becomes available for performance of Work. Should the Contractor be specifically directed to suspend operations in a work area specified herein to be available for operations of the Contractor, or should such work area not be available by the times specified elsewhere in the Contract, and if solely because of such suspension of operations or late availability of the work area, the Contractor is necessarily kept idle at the construction site, the Contractor will be compensated as stipulated in the provisions of the Contract concerning compensation for emergency delays.

2) 1. At least 7 days but not more than 10 days prior to performing excavation, call 1-800-272-4480 and provide the information required for excavation(s) in New York and call 1-800-272-1000 and provide the information required for excavation(s) in New Jersey.

3) No vehicles of the Contractor, employees of the Contractor, subcontractors, materialmen or others over whom the Contractor has control will be permitted to park in or on Authority property, except for construction vehicles which will be permitted to park at the area of Work during the times when the Work is being performed. All vehicles, including construction vehicles and company vehicles will be required to pay the appropriate tolls for each passage or crossing of Authority facilities, or parking at Authority lots.

4) Securely fasten material or construction which must be left in place between working periods in a manner acceptable to the Authority so as not to be a hazard.

5) Take all precautions necessary for protection of persons, traffic and property during dust or fragment generating operations, concrete mixing or placing, or other operations which may stain, soil or damage property or injure persons. Provide and erect waterproof, fire-resistant, UL labeled tarpaulins with flame-spread rating of 15 or less, or other protective enclosures as approved by the Director.

6) Smoking is strictly prohibited. There are no designated areas to smoke within the WTC Project Site.

7) Do not burn or bury debris of any type on Authority property, or wash waste materials down sewers or into waterways.

8) Provide sound suppression devices on gasoline and diesel powered construction equipment and pneumatic tools as required to maintain noise exposures below the limits specified in the Code of Federal Regulations (CFR) 29 CPR 1926 Occupational Safety and Health Regulations for Construction (OSHA). Maintain such sound suppression devices in proper operating condition throughout the time of their use, and adjust and repair as required to maintain noise within exposure levels stipulated in 29 CFR 1926.52, Table D-2.

b. No requirement of or omission to require any precautions under this Contract shall be deemed to limit or impair any responsibility or obligation assumed by the Contractor under or in connection with this Contract and the Contractor shall at all times maintain adequate protection to safeguard the public and all persons engaged in the Work and shall take such precautions as will accomplish such end, without undue interference with the public or the operations of the Authority.

c. Security Plan

The Contractor shall implement and maintain a security plan for the work site in accordance with the requirements in the Authority's WTC Site Security Plan. The Security Plan includes the standards and requirements for, but not limited to, fencing, guards, access control, lock and key controls, which support overall WTC Site security, the separation of public and non-public areas, and site safety. The Authority will monitor conformance to the plan and may require modifications to the plan throughout the construction period.

d. Traffic Management Plan

If required, the Contractor shall implement and maintain a traffic management plan while performing work at the WTC site in accordance with the requirements in the Authority's Traffic Management Plan. The Traffic Management Plan will include the standards and requirements for primary and secondary access points, direction of traffic flow, and procedures for access for the Contractor, subcontractors, construction and company vehicles, deliveries, materials being transported, and pedestrian access through the Work site as required to keep the NYCT and PATH Station operational. The Authority will monitor conformance to the plan and may require modifications to the plan throughout the construction period.

e. WTC Site Rules & Regulations

The Contractor, its subcontractors, and all employees supporting the construction activity are required to comply with the Rules and Regulations of the WTC Site, and any updates as required by the Authority. A copy of the WTC Site Rules and Regulations will be provided to each employee upon his or her eligibility to receive a WTC Site Identification Badge and/or Vehicle Pass. Any person not complying with the WTC Site Rules and Regulations shall have their access privileges to the WTC Site and any WTC Site Identification Badge and/or Vehicle Pass revoked.

101. HOURS OF WORK AND CONSTRUCTION STAGING

a. Hours of Work

1) Subject to all requirements stated elsewhere herein, the Work will be performed as straight time work and will be performed within the following hours of work.
   a. Perform all work between the hours of 6:00 AM and 6:00 PM PM Each day.
2) The Contractor shall not perform Work at the construction site on a Federal legal holiday or a holiday of the state(s) in which Work is being performed, unless otherwise permitted by the Director.
3) The Contractor shall submit, for approval, to the Authority at least one week in advance, scheduled hours of Work for each week.

b. Construction Staging

1) No storage or construction lay down area available unless Contractor coordinates with other contractor’s onsite.
2) No stockpiles of material or construction equipment shall remain in the work area at the end of each shift.

102. CONDUCT OF WORK PLAN

a. The Contractor shall prepare and submit a written Conduct of Work Plan (COWP) which addresses construction staging and planning; field office needs; parking requirements during performance of the Work; storage of construction equipment; use of public roadways and Authority property; coordination of the Work with third parties; utility disruptions; protection of PATH and adjacent properties; diesel emissions, fugitive dust and noise monitoring and mitigation; hazardous material handling and remediation; storm water drainage management; temporary facilities and structures; traffic management; vibration monitoring and control; emergency procedures and notification site; access and logistics; public protection and worker safety; site and document security; and maintenance and protection of Work site.

103. SITE ACCESS AND STAGING RESTRICTIONS

a. General

1) The Contractor shall progress the Work in an orderly manner in accordance with the conditions of the Contract and applicable codes.

2) The Contractor shall isolate the work areas in a safe manner in accordance with the limits set forth in the Contract to maintain, other WTC site contractors, NYSDOT and Lower Manhattan Development Corp contractors and pedestrian and vehicle traffic flows.

3) The Contractor shall submit detailed construction execution plans showing and describing actual sequences of the various activities and the means and methods by which the work is to be performed. The submittals shall be sufficiently detailed and comprehensive and shall include as a minimum barricades, temporary supports and shoring, shielding, equipment locations, and sphere of action, pedestrian and vehicle flows, construction personnel, materials and equipment deliver and routing, and interface with other temporary and permanent construction in the area. The Director's review and approval of these submittals shall merely be to verify that the requirements set forth in the Contract drawings associated with the Work can be satisfied and shall not release the Contractor from any of his obligations under this Contract.

4) Street and lane closures and any work related to delivery, movement and handing of materials and equipment on the streets, roads and public ways around the site shall conform to requirements specified in the Contract.

5) Contractor shall also stage its work to accommodate other contractors performing work at the WTC site. Portions of the construction site shall remain accessible to other contractors.

6) Contract shall stage work at the WTC site to allow weather tight pedestrian access (including ADA access) from street to platforms and vice versa to be maintained at all times. The Contractor's material, equipment and personnel shall be confined within barricaded areas.

7) Demolition shall proceed in a systematic and orderly manner to support the reconstruction. Existing structures in this area will be demolished by others. Storage of materials and equipment demolished will not be allowed on site. Debris must be removed on a continuous basis. The contractor shall submit a demolition plan for the Director's review and approval.

The Contractor shall minimize all air-borne pollutants generated by diesel-powered equipment and vehicles at all times during performance of Work under this Contract.

104. WORLD TRADE CENTER (WTC) SITE SECURITY REQUIREMENTS

a. The Contractor shall observe and obey (and compel its officers, employees, guests, invitees, and those doing business with it, to observe and obey) the WTC Site Security Requirements now in effect, and such further reasonable Requirements which may from time to time during the term of this Agreement be promulgated by WTC for reasons of safety, health, preservation of property or maintenance of a good and orderly appearance and efficient operation of the WTC Site. The Authority agrees that, except in case of emergency, it shall give notice to the Contractor of every Requirement hereafter adopted by it at least five (5) days before the Contractor shall be required to comply therewith.

b. A copy of the WTC Site Security Requirements is attached hereto and made a part of this Agreement. See Exhibit B_WTC - Site Security Requirements.

END OF SECTION

PART IV – SIGNATURE SHEET, NAME AND RESIDENCE OF PRINCIPALS SHEET AND PRICING SHEET(S), TABLE OF CONTENTS

1. SIGNATURE SHEET 2
2. NAME AND RESIDENCE OF PRINCIPALS SHEET 3
3. PRICING SHEET(S) 4
   Entry of Prices 4
   Pricing Sheet 5

PART IV – SIGNATURE SHEET, NAME AND RESIDENCE OF PRINCIPALS SHEET AND PRICING SHEET(S)

1. SIGNATURE SHEET

OFFER: The undersigned offers and agrees to furnish to the Port Authority of New York and New Jersey services and/or materials in compliance with all terms, conditions, specifications and addenda of the Contract. Signature also certifies understanding of and compliance with the certification requirements of the standard terms and conditions as contained in the Standard Contract Terms and Conditions. This offer shall be irrevocable for 90 days after the date on which the Port Authority opens this bid.

ONLY THE COMPANY NAMED AS THE BIDDER BELOW WILL RECEIVE PAYMENT. THIS MUST BE THE SAME NAMED COMPANY AS INDICATED ON THE COVER SHEET

Bidder_____

Bidder's Address_____

City, State, Zip_____

Telephone No._____ FAX_____

Email_____ EIN# _____

SIGNATURE_____ Date_____

Print Name and Title_____

Note: This offer shall be irrevocable for 90 days after the date on which the Port Authority opens this bid.

_____

Signature of Person Signing Above

ACKNOWLEDGEMENT:

STATE OF: _____

COUNTY OF: _____

On this ___day *of*_____, 20 , personally came before me, _____,who, duly sworn by me, did depose that (s)he has knowledge of the matters herein stated, that they are in all respects true and that (s)he has been authorized to execute the foregoing offer and statement of irrevocability on behalf of said corporation, partnership or firm.

_____

Notary Public

NOTE: If a joint venture is allowed, duplicate this Signature Sheet and have each party to the joint venture sign separately and affix the duplicates to the back of this Signature Sheet.

Bidder attention is called to the certification requirements contained in the Standard Contract Terms and Conditions, Part III. Indicate below if a signed, explanatory statement in connection with this section is attached hereto.

☐

If certified by the Port Authority as a M/WBE: _____ (indicate which one and date).

2. NAME AND RESIDENCE OF PRINCIPALS SHEET

Names and Residence of Principals of Bidder. If general or limited partner, or individual, so indicate.

NAME	TITLE	ADDRESS OF RESIDENCE (Do not give business address)

3. PRICING SHEET(S)

Entry of Prices

a. The prices quoted shall be written in figures, in ink, preferably black ink, where required in the spaces provided on the Pricing Sheet(s) attached hereto and made a part hereof.

b. All Bidders are asked to ensure that all charges quoted for similar items in the Contract are consistent.

c. Prices must be submitted for each Item required on the Pricing Sheet(s).

d. All Bidders are asked to ensure that all figures are inserted as required, and that all computations made have been verified for accuracy. The Bidder is advised that the Port Authority may verify only that Bid or those Bids that it deems appropriate and may not check each and every Bid submitted for computational errors. In the event that errors in computation are made by the Bidder, the Port Authority reserves the right to correct any error and to recompute the Estimated Total Delivered Contract Price, as required, based upon the applicable Unit Price inserted by the Bidder, which amount shall govern in all cases.

e. In the event that a Bidder quotes an amount in the Total Price column but omits to quote a Unit Price for that amount in the space provided, the Port Authority reserves the right to compute and insert the appropriate Unit Price.

f. The Estimated Total Delivered Contract Price is solely for the purpose of facilitating the comparisons of Bids. Compensation shall be in accordance with the section of this Contract entitled "Payment".

g. The Bidder, by submitting a Bid confirms -
   1. that he has familiarized himself with the WTC site and the Scope of Work and is aware of access requirements, material delivery requirements and security clearance requirements.
   2. That he has visited and examined all work areas and verified access to all areas and confirmed his ability to properly and safely perform the work.

Pricing Sheet

Description	Total Price
ELECTRICAL METERS	$
HVAC METERS	$
PLUMBING METERS	$
TOTAL LUMP SUM BID PRICE:	

AWARD WILL BE MADE TO THE LOWEST RESPONSIVE AND RESPONSIBLE BIDDER FOR THE TOTAL LUMP SUM BID PRICE.

CERTIFICATE OF CURRENT COST OR PRICING DATA:

This is to certify that, to the best of my knowledge and belief, the cost or pricing data submitted, either actually or by specific identification in writing, to The Port Authority of New York and New Jersey or to The Port Authority of New York and New Jersey's representative in support of: Bid No. **(38310)** WTC REDEVELOPMENT UTILITY METERING INTEGRATION

is accurate, complete, and current as of _____* [INSERT BID DUE DATE].

This certification includes the cost or pricing data supporting any advance agreements and forward pricing rate agreements between the Bidder and The Port Authority of New York and New Jersey that are part of the bid.

Firm: _____

Name: _____

Title: _____

Date: _____

PART V – SPECIFICATIONS, TABLE OF CONTENTS

PART V – SPECIFICATIONS, TABLE OF CONTENTS 1
1. Item(s) and/or Service(s) Required by the Specifications 2
2. Reference Documents 3
3. Detailed Specifications 3
4. Project Schedule 4

PART V – SPECIFICATIONS—Detailed Scope of Work

1. Item(s) and/or Service(s) Required by the Specifications

World Trade Center (WTC) sitewide meter integration as further described below:

1- The Contractor shall confirm that all existing electrical meters have raceway/wiring and external ports available for use for remote reading. Where required, the Contractor shall furnish and install additional raceway/wiring and external ports.

2- The Contractor shall coordinate with MME (Metering Management Entity) contractor as necessary to ensure continuity of performance.

3- The Contractor shall provide all labor, materials and equipment to perform the commissioning/re-commissioning phase of the existing electrical meters. This includes, but is not limited to, all straight time hours, overtime and holiday hours which may be required due to scheduling of Authority shutdowns. Contractor shall perform the commissioning/re-commissioning of existing electrical meters as a collaborative effort between the Contractor and the MME contractor.

4- Contractor shall coordinate with site management, site security, existing trades-people and construction management entities at the World Trade Center (WTC) site.

5- The Contractor may be required to attend weekly coordination meetings that will be attended by key representatives of each WTC site contractor to coordinate the installation with the existing work.

6- The Contractor shall be available as required to meet with stakeholders and to coordinate work and access in stakeholder areas.

7- Third Party stakeholders may require that separate insurance certificates be presented to stakeholders by Contractor for Contractor's work performed within stakeholders' property areas. This additional insurance, if required, will be reimbursed by the Authority.

8- The Contractor shall review the existing MEP drawings in coordination with the BIM model and shall produce Shop Drawings for review prior to performing any new work.

9- The Contractor shall perform all core drilling and fire stopping, as per the Contract Drawings. This includes obtaining necessary approvals from the Authority and stakeholders.

10- Stakeholder approvals are required before Contractor may perform work within stakeholders' controlled spaces.

11- The Contractor shall perform all cutting and patching required as part of the installation process. This includes but is not limited to all drywall, masonry, ceiling tiles and painting work. Contractor shall leave each area in a finished condition free of scarring and defects.

12- The Contractor shall provide full time, on site field supervision at all times during construction activity. The Contractor shall daily coordinate his work with all stakeholders, WTCC (World Trade Center Construction), WTCRD (World Trade Center Redevelopment) and site management.

13- The Contractor shall label all raceways, meters, switches and terminal boxes in accordance with the Contract Specifications.

2. Reference Documents

Drawings and specifications for this project are dated February 28, 2014 as issued by the Engineer of Record.

3. Detailed Specifications

MECHANICAL	
Section 230000	General provisions for Heating, Ventilation and Air Conditioning
Section 230002	Mechanical Unit prices
Section 230519	Meters and Gages for HVAC Piping
Section 230553	Identification for HVAC Piping and Equipment
Section 230700	HVAC Insulation
ELECTRICAL	
Section 260000	General Provisions for Electrical Work
Section 260002	Electrical Unit Prices
Section 260500	Common Work Results For Electrical
Section 260519	Low-Voltage Electrical Power Conductors and Cables
Section 260529	Hangers and Supports for Electrical Systems
Section 260533	Raceway and Boxes for Electrical Systems
Section 260548	Hangers and Sway/Seismic Bracing for Electrical Systems
Section 260553	Identification for Electrical Systems
Section 262816	Enclosed Switches and Circuit Breakers
COMMUNICATIONS	
Section 270002	Communications Unit Prices
Section 270526	Grounding and Bonding for Communications Systems
Section 271100	Communications Equipment Room Fittings
Section 271300	Communications Backbone Cabling
Section 271500	Communications Horizontal Cabling
Section 272100	Data Communications Network Equipment

Section 23000-M	Meter Management and Billing Systems (NIC, for reference only)
Section 230002-M	Unit Prices for Meter Management and Billing (NIC, for reference only)

4. Project Schedule

The completion date for contractor's performance is as follows:

1- All installation must be completed by April 30th, 2015.

2- Final acceptance of metering system is June 30th, 2015.

END SPECIFICATIONS

EXHIBIT A

CONTRACTOR QUALITY PROGRAM REQUIREMENTS

March 11, 2010

CONTRACTOR'S QUALITY PROGRAM REQUIREMENTS

A. General

The Contractor shall submit a description of its Quality Assurance/Quality Control (QA/QC) Plan addressing the QA/QC organization; how the Plan extends to its subcontractors and others in the supply chain; resources and procedures that the Contractor will use for evaluating construction activities, products and related activities, which shall conform to the Authority's WTC Project Quality Assurance Plan and the FTA QA/QC System requirements (FTA-IT-90-5001-02.1), attached as an Appendix hereto.

B. Scope

This section defines the responsibilities of the Contractor in the management of quality in the construction of the Project to achieve an end product conforming to the level of quality required by the Contract Documents.

C. Contractor's Quality Program

The Contractor shall establish, implement and maintain an effective Contractor Quality Control Program (CQCP) to manage, control, document and assure that the work complies with the requirements of the Contract Documents. The quality assurance/quality control program shall describe all of the means, methods, plans, procedures, processes and the organization proposed by the Contractor to assure that the level of quality specified in the Contract Documents for all materials, equipment, and workmanship incorporated in the temporary or permanent construction is appropriately satisfied whether constructed, fabricated or manufactured onsite or offsite by the Contractor or his subcontractors, suppliers and vendors, the quality assurance/quality control program shall also address the training and certification of personnel tasked with the implementation and maintenance of the program in the techniques necessary to ensure quality, including but not limited to, testing and inspection.

At a minimum, the quality assurance/quality control program developed and submitted to the Engineer for review and approval must satisfy the requirements of the "Quality Assurance & Quality Control Guidelines" of the Federal Transit Administration / U.S. Department of Transportation (FTA-IT-90-5001-02.1), dated February 2002.

D. Submittal of Quality Program

1) Within 15 days after the acceptance of the Contractor's Proposal, the Contractor shall furnish for the approval of the Authority (the Manager-WTCC QA), the QA/QC Program. The QA/QC Program shall be signed by a principal of the firm and his designated Quality Control Manager ("QCM"). If the Contractor fails to submit an acceptable QA/QC Program within the prescribed time, the Manager, WTCC Quality Assurance (MWTCCQA) may not allow the work to continue unless an acceptable interim plan which addresses all of the requirements of the QA/QC Program is provided. The interim plan will only be acceptable for 30 days.

2) Failure to comply with either of these submittal requirements within the prescribed times may result in the Authority issuance of an order to the Contractor to stop all work on this Project.

E. Changes To The CQP

The Contractor shall notify the Manager, WTCC QA in writing of any proposed change to the CQP. All proposed changes are subject to the approval of the Manager, WTCC QA. The Contractor shall review the approved CQP on a quarterly basis for continued adequacy to meet the requirements of the Contract Documents and shall incorporate changes to overcome the deficiencies in the program that affect quality. Use shall be made of feedback data generated by the Contractor, subcontractors, suppliers and the Manager, WTCC QA.

F. Elements Of Contractor's Quality Program

The CQP shall include the following elements: (Required FTA Elements Added)

ELEMENT PARAGRAPH	PARAGRAPH SPECS
Management Organization, Staffing and Responsibilities	G
Documented Quality Management System	H
Submittal Management, Document Control and Document Changes	I
Receiving, Handling, Storage and Control of Materials and Equipment	J

Subcontractor and Supplier Control – Purchasing	K
Inspection and Testing Plan	L
Control of Construction Processes	M
Control of Measuring and Testing Equipment	N
Control of Nonconforming Conditions	O
Documentation by Quality Records	P
Contractor Internal Audit	Q
Training	R
Statistical Analysis	S
Design Process Control	T

G. Management Organization, Staffing And Responsibilities

The CQP shall describe the Contractor's project organization (including major subcontractors and suppliers) and include an organization chart showing names, titles and lines of authority, and the

Interrelationship of those involved in managing and directing the Project. The qualifications, duties, responsibilities and functions of the Construction Management Team shall be provided.

The Contractor shall be fully responsible for effectively managing all aspects of the CQP and shall present the management strategy for approval at the pre-award qualification hearing, as part of the validation of qualifications for this Project. This strategy shall identify the organization, staffing and responsibilities as a minimum. The person designated to be responsible for overall Quality Management may be the Project Manager or the Corporate Quality Officer.

Both shall participate in developing the CQP for this project and shall sign it prior to submittal.

Adequate staff and resources shall be provided to perform all quality control activities to assure contract compliance whether the work is performed by the Contractor's own forces or by subcontractors. The personnel comprising this staff shall be fully qualified by experience and technical training to perform their assigned responsibilities. The Engineer may direct the Contractor to provide additional staff and resources to the Project Manager or Corporate Quality Officer if, in the sole opinion of the Engineer, there are significant deficiencies in implementing the CQP requirements.

The size and composition of the Contractor's quality organization may vary as the project progresses, however, at all times it must be compatible with the level of effort and capability required by the Contract Documents.

The Project Manager or Corporate Quality Officer shall maintain a legible, hand-written daily diary or activity log indicating all major activities related to the management of quality on this Project that were personally performed by him, and each entry in the diary or log shall be signed and dated by him.

The Project Manager or Corporate Quality Officer shall prepare and submit a 6-week look-ahead schedule forecasting her/his quality activities associated with the Contract's progression.

The Project Manager or Corporate Quality Officer's office shall be based near the worksite. The Project Manager or Corporate Quality Officer shall report to the work-site on daily basis.

If the Contractor's QC Program is not being performed to the satisfaction of the Engineer, the Engineer may direct the Contractor to assign one or more full-time additional Quality Project Manager(s) dedicated solely to this project at no additional cost or expense to the Engineer, as required to successfully implement the approved CQP.

The Quality Manager (QM) shall be a full time person assigned exclusively to this Project Final Completion. The Quality Manager's sole function shall be to manage all quality matters for the Project and have the Authority to act in all quality matters for the Contractor. The QM shall not be subordinate to the Contractor's personnel that directly perform, supervise or progress the work. The QM shall have direct access to the upper management of the Contractor. The QM shall possess at least five (5) years of Quality related experience. . The resume of the QM shall include a description of the duties, responsibilities and the QA/QC record of assignments for the preceding five-year period which establishes the candidate's experience as a Quality Manager. The QM's qualifications shall be submitted to the Manager, WTCC QA for approval. The QM shall review and revise the CQP for this Project and shall sign it prior to resubmittal.

H. Documented Quality Management System

The Contractor shall establish and maintain a documented quality management system to ensure project quality objectives are satisfied. The quality management system requirements shall extend to the any suppliers and contractors, as appropriate.

Written procedures and instructions shall be developed for activities affecting quality in design, purchasing, manufacturing and construction, as applicable to the work performed. Procedures and instructions shall also be developed for control of inspection, testing, nondestructive examination, control of non-conformances, corrective action, maintenance of quality records, quality audits and training.

The procedures shall contain a statement of purpose and scope and referenced to Codes, standards or specifications. In developing the procedures, consideration shell be given to identifying and acquiring any inspection equipment, skills or special processes needed to ensure quality performance. Inspection and testing techniques should be kept up-to-date. The procedures and instructions should contain formats for the quality records needed to ensure that the procedures and instructions are followed and documentation requirements are understood.

I. Submittal Management, a Document Control and Document Changes

The CQP shall provide for establishing and maintaining a submittal management system which schedules, manages and tracks all submittals required by the Contract Documents including those of subcontractors and suppliers. The submittal schedule shall indicate all submittals due far enough in advance of the scheduled dates for installation to allow for the time required for reviews, for securing necessary approvals, for possible revisions and resubmittals and for placing orders and securing delivery. The submittal schedule shall be updated as required and submitted. Before the planned start of work on a system, a listing of all submittals planned for the system and its subsystems shall be submitted. Submittals for a portion of a system will not be accepted for review until the complete list of submittals for the system has been submitted. The Contractor shall review submittals prepared by its subcontractors and suppliers for compliance with the Contract Documents, before submitting it to the Engineer.

Shop drawings shall be prepared by the Contractor, subcontractors or suppliers and shall be reviewed by the Contractor to verify all materials and field measurements and checked and coordinated to assure that the information contained on the shop drawings, product data and samples conforms with the requirements of the Contract Documents as required. No portion of the work requiring these shop drawings shall be commenced until this review and coordination has been performed by the Contractor. These shop drawings and any other documentation which demonstrates the Contractor's compliance with the Contract Documents shall be kept at

the Contractor's office and are available for inspection and audit of the Engineer. Where the Engineer requires certain shop drawings and other documents required by the specifications are made available to him but which do not require his approval they will be listed in the specifications and noted that they are for information only.

The CQP shall also provide for establishing and maintaining a document control system for control of project documents and data such as drawings, specifications, calculations, calibration records, inspection procedures, test procedures, test results, special work instructions, operational procedures and QA Program and related procedures. The document control system shall provide assurance that the work is performed to the latest approved drawings and specifications and that these documents are made available at each work location, prior to the start of the work, to all users who require them. Obsolete documents shall be promptly eliminated from each work location. Any superseded documents retained for the record shall be clearly identified as such.

All changes to documents shall be processed in writing and records maintained of changes as they are made. The Project Drawing List shall identify the revision number and the revised date for each drawing that is revised.

J. Receiving, Handling, Storage And Control Of Materials And Equipment

The CQP shall contain provisions for verification that material and equipment meet specified quality and contractual requirements and that they are properly received and handled to ensure that the quality is not degraded. The Contractor shall establish and maintain documented procedures that ensure that all materials and equipment are positively identifiable and traceable to a specified origin point. Purchased items entering the construction site/warehouse shall be inspected/tested, including their supporting documentation, for verification that subcontractors and suppliers have met the appropriate quality requirements of the Contract Documents. Purchased items shall bear a suitable control device as evidence of subject inspection/test. An identifier containing the inspection/test date, name of inspector and inspection/test status (Pass/Fail) shall be attached to each inspected/tested item.

Nonconforming purchased items shall immediately be tagged, removed and segregated to a controlled area.

Certificates of compliance and/or conformance shall be submitted for materials and equipment.

The Contractor shall provide written requirements to assure that the desired quality of an item is not compromised or degraded as a consequence of inappropriate handling, lifting and rigging methods.

The Contractor shall provide written requirements for the cleaning, preservation and storage of materials and equipment. Proper records shall be maintained of all required maintenance activities during storage.

Purchased material and equipment shall be clearly marked so that it can easily be identified without excessive handling or opening of crates and boxes.

The materials storage area(s) shall be arranged for ease of retrieval and to prevent damage, deterioration or loss. In general, materials received first shall be used first.

Positive material identification (PMI) shall be implemented so that each item has a unique identifier (PMI serial number) to distinguish apparently identical items made in separate fabrication processes and confirm that the material of construction is indeed the grade of material specified. PMI numbers must appear on all inspection and construction records.

K. Sub-Contractor and Supplier Control. - Purchasing

The QC program shall assure that items and services are procured from subcontractors and suppliers capable of meeting all requirements of the Contract Documents. The Contractor shall review his agreements with subcontractors and suppliers to insure inclusion of all applicable quality requirements. All subcontractors and suppliers shall comply with the Contractor's Quality Control Program or their own program. If the subcontractors and suppliers elect to submit their own quality control programs, it must

be approved as meeting the requirements of this section by the Prime Contractor’s Quality Personnel. The Contractor shall review the subcontractor’s/supplier's agreements to ensure the inclusion of applicable quality requirements.

Source inspection shall be performed at the subcontractors’/suppliers’ plants. Those quality characteristics, which cannot or will not be verified during subsequent processing, shall be

subject to source inspection. Source inspection may not be necessary when the quality of the item can be fully and adequately verified by review of inspection and test reports, inspection on receipt or other means.

The Contractor shall perform external audits of his suppliers and subcontractors to assess compliance with the requirements of the approved QA/QC Program and Contract Documents. Factors such as the work schedule, volume, complexity, relative importance, past experience, dollar amount, etc. shall be taken into account for the selection of the suppliers and subcontractors for such audits and determining the scope, frequency and schedule of these audits. The scope frequency and schedule of these audits shall be as approved by the Manager, WTCC QA. The Contractor shall submit an audit schedule to the Manager, WTCC QA within 15 days after award. The Contractor shall make appropriate changes to the audit schedule when warranted due to changed conditions or when directed by the Manager, WTCC QA. The Contractor shall submit the revised schedule to the Manager, WTCC QA within 30 days of the change. The Manager, WTCC QA must be notified in writing 6-weeks days in advance of the date, time and location of each audit. The Manager, WTCC QA may witness any or all such audits. The audit results shall be documented and used to correct deficiencies and prevent their recurrence. Copies of the audits shall be made available to the Manager, WTCC QA, as required.

L. Inspection And Testing Plan

The Contractor’s CQP shall include an inspection and testing plan subject to approval by the Authority to verify that items conform to the requirements of the Contract Documents. The Contractor's plan shall contain a list of tests, which the Contractor is to perform. The list shall give the test name, specification paragraph containing the test requirements and identify if the Contractor, subcontractor or supplier is responsible for each type of test. During the life of the contract, the Contractor shall update the plan to

reflect changes in inspection and testing procedures. The Contractor's inspection and testing procedures shall be approved by the Engineer prior to any such inspection or test and shall include test requirements, acceptance criteria and test conditions. Procedures should, as a minimum:

1) Identify the characteristics to be inspected, examined, and tested at each activity point;
2) Specify inspection and test procedures and acceptance criteria to be used;

a. include inspection checklists
b. identify hold points as described below.

The detailed inspection or test procedures shall, as applicable, include items such as who is responsible for what, how, when, and where for all steps to be performed; what materials, equipment, and documentation are to be used; and how it is controlled. The procedures must be included in the CQP.
The Contractor shall use competent inspection personnel and shall not depend exclusively upon inspections performed by persons performing or directly supervising the work being inspected. Inspection personnel shall not report directly to the immediate foreman or supervisors responsible for constructing or installing the work being inspected. Inspection personnel shall be given the necessary authority and independence to perform their roles effectively.

Personnel performing inspections and tests shall possess a demonstrated competence in the specific area of interest and have an adequate understanding of the requirements. Written guidelines shall be established to assure that suitable education, experience and technical qualifications are maintained for such personnel.

The Contractor shall establish a listing of hold points as part of the inspection and testing plan for the approval of the Authority. Hold points are pre-determined inspection points for work in progress, which may become inaccessible as the work progresses, where the Contractor shall "hold" until the Authority verifies that the inspection and testing has been performed. In-process inspection activities shall be planned and performed to ensure the quality of the finished work. Any non-conforming conditions shall be tagged, documented, physically segregated to prevent inadvertent use and corrected before continuing.

The Contractor shall demonstrate the acceptability of the construction activities with objective evidence through suitable inspections and testing records. Inspection and testing records shall be prepared, reviewed, safely stored and maintained by the Contractor.

The Contractor shall distinguish between inspected and uninspected items by using suitable control devices. Inspection and test status identification of structures, systems or components should be maintained and controlled from initial receipt through installation to operation of the constructed work.

M. Control Of Construction Processes

1) The Contractor shall assure that the work complies with the Contract Documents. Controls shall be adequate to cover all construction operations, including both onsite and offsite fabrication, shall be integrated with the provisions of the clause entitled "Progress Schedule" and shall provide written records indicating that the results obtained for the various phases described below are documented and maintained. The controls shall include at least three phases of control for all definable features of work as follows:

PREPARATORY PHASE - This phase occurs prior to beginning any work on any definable feature of work.

A definable feature of work is a task which is separate and distinct from other tasks and has separate control requirements.

It shall include the following:

a. review of the contract requirements;
b. check to assure that all materials and/or equipment have been tested, submitted and approved;

2) A check to assure that provisions have been made to provide required control inspection and testing; examination of the work areas to ascertain that all preliminary work has been completed; a physical examination of materials, equipment and sample work to assure that they conform to approved shop drawings or submitted data and that all materials and/or equipment are on hand.

INITIAL PHASE - This phase must be accomplished at the beginning of a definable feature of work and shall include the following:

a) check of preliminary work (first item inspection) to: verify full compliance establish acceptable levels of workmanship resolve all discrepancies

IN-PROCESS PHASE

a) Daily checks shall be performed to assure continuing compliance with contract requirements and shall include the following: Control testing until the completion of the

particular feature of work Suitable maintenance of equipment used in construction to ensure continuing process capability.

b) The Contractor shall ensure that the work is performed in accordance with codes and standards that would apply if the Authority were a private corporation and with specifications and other special contractual requirements using qualified personnel and/or equipment. The procedure shall identify equipment to be used as well as any special requirements to be observed.

N. Control Of Measuring And Testing Equipment

1) The CQP shall describe the methods for ensuring that equipment used for measuring and testing is in calibration or condition to provide accurate test or inspection results. At intervals established to ensure continued validity, measuring devices shall be verified or calibrated against certified standards that are traceable to national standards or naturally occurring physical constants.

2) The Contractor shall use methods to assure proper handling, storage, care and control of measuring and testing equipment in order to maintain the required accuracy of such equipment. Material and testing equipment that are consistently found to be out-of calibration or have been subjected to possible damage shall be identified as nonconforming and be removed from service, repaired or replaced. The CQP shall also contain a contingency plan in the event inaccurate measurement may have occurred as evidenced by measuring and testing equipment found to be out of calibration at specified interval.

3) The Contractor shall also assure that all measuring and testing equipment selected for measurements, tests, or calibration is of the proper range, type, and is controlled, adjusted, and maintained at specified intervals identified in the CQP or prior to use to assure conformance to the established requirements or predetermined accuracy. The equipment shall have some indication attesting to the current calibration status and show date (or other basis) on which inspection or recalibration is next required and by whom it was last calibrated.

4) The Contractor’s measuring and testing equipment shall be made available for use by the Authority. The Contractor shall make personnel available for operation of the equipment if requested by the Authority.

O. Preventive Action and Control Of Nonconforming Conditions

1) The CQP shall contain provisions for implementing preventive and corrective actions and identifying, recording, controlling and correcting nonconforming items, including provisions for the reinspection and retesting of repaired and reworked items to the original requirements. Any "Use-As-Is' determinations shall require approval by an Engineer who represents the Authority. It is the Contractor's responsibility to promptly identify, tag and segregate items detrimental to quality to prevent inadvertent use.

2) The Contractor shall investigate the cause of the nonconformance and take appropriate corrective actions to prevent recurrence. The identification, determination, justification for planned actions and actions taken shall be documented on a nonconformance report. At a minimum, dispositions for non-conformances shall include 'Rework', 'Repair', 'Use-As-Is', 'Scrap' or 'Reject'. 'Reworked' and 'repaired' items shall be re-inspected using a documented procedure to ensure the item meets requirements. All 'Repair' and 'Use-As-Is' dispositions shall be reviewed and approved by an Engineer representing the Authority prior to any corrective action. Personnel performing evaluations to determine conformance shall have demonstrated competence in the specific area of interest have an adequate understanding of the requirements and have access to pertinent background information.

3) A procedure to describe the process for corrective actions to address issues identified during audits or other activities shall be included in the CQP. The procedure must include the analysis of any process/actions to help identify the cause of the condition, identify the corrective actions needed and specific actions needed to prevent recurrence. Actions to ensure that corrective actions are taken and are effective must also be described.

P. Documentation OF Quality Records

1) The CQP shall contain provisions for identification of types of quality records to be maintained, their retrievability and retention periods and shall include a sample or blank copy of all quality records and checklists to be utilized on this Project. The Contractor shall maintain quality records as evidence that all of its activities and those of its subcontractors and suppliers comply with the requirements of the CQP. Additionally, the Contractor shall maintain records as evidence that: The item meets the requirements of the Contract Documents; Personnel, procedures and equipment for special construction processes are qualified; Selection and

surveillance of subcontractors and suppliers are performed; Corrective action and action taken to prevent recurrence is being taken for nonconforming conditions.

2) Additional Types of Records to be Maintained:

a) Contractor Internal and External Audit records which: Provide a schedule of Contractor and subcontractor/supplier audits Document quality programs, plans and procedures audited. Identify items and services for which audit was performed Reveal results obtained. Demonstrate analyses of audit data for use in corrective action

b) Inspection and Test records which: Include completed inspection checklists signed by the QCM; Include nonconformance reports and logs; Identify inspector or data recorder;

Identify date of inspection or test; Reference drawing number and specification reference; Define applicable requirements; Identify specific inspections or tests performed and results

c) Daily Reports Under the provisions of the Contract, the Contractor shall prepare reports on a daily basis for the Work Site. This report shall also include a brief description of any inspections of the work performed. If an inspection or test was performed a copy of the inspection or test record must accompany the report. The report with the attachment must be forwarded to the Engineer's office by the end of the next business day. The report must be filed for each site including days in which no work was performed. The report must be signed and dated by the QCM or the Contractor's designated representative.

d) Inspection and test records shall be maintained for both conforming and nonconforming work. Unless otherwise required by the Authority the Contractor shall retain all quality records for a minimum period of three years after substantial completion and make them available to the Authority upon request.

Q. Contractor Internal Audit

The Contractor shall perform internal audits of his own Quality Management System to assess compliance with the requirements of the approved QC Program and the Contract Documents. The scope of such audits shall be commensurate with factors such as the work schedule, volume, complexity, relative importance of work activities, etc. The audits shall be performed

on a quarterly basis and shall begin within 6 months of the acceptance of the Proposal. An audit schedule shall be submitted to the Authority within 45 days after the acceptance of the Proposal. The Contractor shall change the schedule when warranted due to changed conditions or when directed by the Authority. The Contractor shall submit the revised schedule to the Authority's Manager, WTCC QA within 30 days of the change. The Authority's Manager, WTCC QA must be notified in writing 10 days in advance of the date, time and location of each audit. The Authority's Manager, WTCC QA may witness any or all such audits. The audit results shall be documented and used to correct deficiencies and prevent their recurrence.

R. Training

1) The Contractor shall provide all required training. Such training shall occur within 30 days after acceptance of the Proposal.

2) The Contractor shall notify the Authority at least one week in advance of the date, time and location of the above training. The Authority shall have the option of attending the training. Records shall be kept of the above training documenting the date, time, duration, location, attendees, trainer's name and qualifications, and the items discussed. Copies of these records shall be forwarded to the Authority not later than one week after such training occurs.

3) This requirement for training is in addition to other training requirements contained in this Contract.

S. Statistical Analysis

1) The Contractor shall identify, where appropriate, the need for statistical techniques to verify the acceptability of construction process capabilities and work characteristics. These include, but are not limited to: control charts, sampling plans and trend analyses of non-conformances.

2) The Contractor may employ, subject to approval of the Authority, sampling inspection in accordance with applicable nationally recognized standards or other statistically valid plans.

T. Design Process Control

1) Procedures shall be established, documented, implemented and maintained to control the preparation, review and approval of design work required by this Contract. Design work includes, but is not limited to, the preparation of Shop Drawings, Record Drawings ("As-Built" drawings), working drawings, design details and engineering analyses/calculations as well as software development.

2) Persons performing design work shall be identified, their responsibilities defined, their qualifications stated and a description of the resources assigned for their use shall be given within the procedures.

3) The procedures shall include methods to identify and document input requirements relating to the scope of design work so as to reflect applicable statutory, regulatory and contract requirements as well as industrial codes or Authority standards, if any.

4) The procedures shall state how design work outputs shall be documented, verified against the design input requirements and validated as part of the approval process. The procedures shall contain a formal program of in-process design work review(s) that shall identify: the stages of design at which work review(s) shall occur, the representatives of all concerned functions that shall participate in the review(s) and the documentation of the review(s) results.

5) The procedures shall include methods to identify, document and review any and all changes, revisions or modifications to the original design work prior to resubmittal for approval.

EXHIBIT B

WTC – SITE SECURITY REQUIREMENTS

Site Security Requirements
World Trade Center Site
New York City, NY

Access to the WTC Site

All personnel, vehicles, and materials entering the site shall comply with the requirements described herein. The word "vehicle" as used herein shall be construed to include all self-propelled or towable vehicles or equipment whatsoever.

The requirements described herein apply to all contractors, subcontractors, vendors, suppliers and all others performing work or providing services or materials or equipment within the site. All such entities are required to coordinate and cooperate with each other and with the Authority in planning and performing the required activities. The facilities and services provided by the Authority are to be shared in common by all parties requiring access to the site. The direct costs to perform the screening and credentialing described herein shall be reimbursed by the Authority. All other costs, including but not limited to compensation for time spent by the contractors or their employees in performing any of the activities described herein, shall be borne by the contractors.

A) Personnel Access

All persons accessing the site shall have been background screened so as to ascertain that they satisfy the requirements set forth in the "WTC ID Process-Disqualifying Crimes" document which is attached hereto as Exhibit A. The Authority will conduct such background screening upon written request of the contractor on behalf of the individual, or an individual himself/herself. The background screening is contingent upon the following:

- Every individual requesting access to the site must agree to have a background screening.
- Every individual shall be required to fill out and sign a background screening application and consent form.
- Individuals must be citizens of the U.S., Lawful Resident Aliens, or otherwise lawfully permitted to work in the U.S.
- Every individual shall be required to complete the Secure Worker Access Consortium Application (www.secureworker.com)

The Authority shall conduct the background screening and shall report its findings in a timely manner. Successful screenings are expected to be completed within 3 business days. Individuals found to have received a "fail" classification due to any reason shall be prohibited from entering the site.

After successful background screening individuals will be required to complete a one-hour training period and to pass a test regarding the WTC Site rules and regulations. Upon successful completion a personal identification card shall be issued by the Authority to the individual. The individual's access to the site shall be limited to the level deemed appropriate by the Authority.

As part of the individual credentialing and identification process each individual may be required to provide biometric data, which may include finger-printing, hand geometry, and/or iris mapping. Such data shall be developed and recorded by the Authority for its sole use on this particular WTC Project, and shall be invalidated when no longer needed. The individual is prohibited from the site once the data has been invalidated.

Personnel entry to and exit from the site shall be through a number of Personnel Screening Portals provided, installed, maintained, and operated by the Authority. It is expected but not guaranteed that

there shall be at least two such portals distributed around the perimeter of the site. The Authority shall operate, relocate, and if necessary reconfigure, the portals to accommodate the work to the greatest degree feasible.

Personnel entering the site will be required to present their individual identification cards for entry. The ID cards may contain the personal biometric data that will be used to process individuals thru a turnstile. In all cases packages and tools are subject to inspection at all times. Individuals may be randomly screened.

Personnel who have not been background screened and approved to enter the site as described above, either because the background screening process has not yet been completed or because a permanent ID card is not being sought due to the infrequency of use, may nevertheless be allowed onto the site. For this purpose the Authority will provide, install, maintain, and operate credentialing stations at or near the WTC Site. The Authority will issue a Temporary ID card to the individual upon the following conditions:

- The contractor requests the Temporary ID card on behalf of the individual. This request must be made by a permanently credentialed representative of the contractor who must accompany and vouch for the individual requiring the Temporary ID card.
- The individual presents two (2) forms of personal identification. One (1) such ID must be a government issued Photo ID such as a current driver's license or US Passport.
- The individual must be a citizen of the U.S., a lawful Resident Alien, or otherwise lawfully permitted to work in the U.S.

The Temporary ID cards will allow access to the site for a period not to exceed five (5) business days. Every Temporary ID cardholder's person shall be inspected, together with any packages, tools or equipment he/she intends to bring onto the site.

The contractor shall notify the Authority of personnel terminations or reassignments so that access credentials can be invalidated as soon as no longer needed. The Authority may, at any time for any reason, invalidate credentials allowing individuals access to the site. In all instances, where the Authority issued credentials are no longer valid, the Contractor is responsible for ensuring that they are returned to the Authority in a timely manner.

B) Vehicle Access

All vehicles, with their contents, entering the site shall have been screened by the Authority prior to being allowed access to the site. Such screening shall be for the purposes of validating that the vehicle requesting entry is in fact what it is stated to be, and that it contains or includes no item or material considered by the Authority to be, actually or potentially, deleterious to the site. All personnel driving, managing or accompanying the vehicles and their contents, shall be subject to the same conditions described above for all personnel, and shall not be allowed entry to the site except in conformance therewith.

The Authority shall provide, install, maintain, and operate vehicle Screening access points and adjacent off site Vehicle Screening Facilities. These Facilities shall be located at the points of entry to the site best placed" to accommodate the construction. There are expected, but not guaranteed, to be four such

points at all times. The Authority shall operate, relocate, and reconfigure as required, the access points to the site to accommodate the work to the greatest degree possible.

In order to maintain orderly access to the site and not impact the local streets and or the arterials the contractor, in coordination with the Authority, shall be responsible for scheduling "on time " deliveries of all vehicles requiring access to the site to include deliveries covered by the "Trusted Vendor" program. Important: "Vehicles are not allowed to utilize the local streets or arterials for lay by or staging purposes" unless approved per NYCDOT permit. The Contractor shall notify the Authority of all deliveries a minimum of 24 hours in advance. Notification for deliveries shall be made by the contractor in writing (e mail is acceptable), in a format to be determined by the Authority. Such request shall include, at a minimum, the following information:

- Vehicle Registration and Insurance information. (Copies to be submitted to the Authority).
- Description of vehicle and manifest of its contents.
- Identity of driver and other accompanying personnel.
- Proposed time for arrival at site.
- Proposed point of entry to site.
- Description and duration of activity while on site.

Requests for screening of oversize loads are subject to the same requirements except that 72 hours notice may be required.

The contractor shall be responsible to ensure that the vehicle to be screened presents itself, together with all required documentation, at the assigned location and time. Failure to do so, and the resulting delays, that may require rescheduling of the appointment for screening, shall be the sole responsibility of the contractor. If a particular vendor, supplier, contractor, or other entity is consistently late or does not supply the required information for scheduled screenings, in the sole opinion of the Authority, the Authority may institute different requirements that it deems necessary to avoid or mitigate future delays.

It is the intent of the Authority in order to reduce on site screening time and provide flexibility in the scheduling of deliveries that the contractor will be allowed to substitute or add a critical delivery under the following conditions:

- The delivery does not conflict with other scheduled deliveries nor is disruptive to on going site activities.
- The vendor/vehicle/driver is in the "Trusted Vendor" program

It is the intent of the Authority to establish a "Trusted Vendor" program. The "Trusted Vendor" program will include the enrollment of vehicles and their drivers in order to expedite their access to the site. These types of vehicles will be primarily company owned vehicles and trucks such as concrete, tanker, haul, heavy construction equipment and other delivery trucks, which frequent the site. These vehicles shall be required as previously outlined to schedule deliveries in advance and if requested, provide sufficient time to allow the Authority adequate time to determine and provide the necessary pre-screening.

For "Trusted Vendor" screening the vehicle shall present itself at the assigned place within the allotted timeframe. Screening shall include:

- Verification of vehicle and personnel identity and credentials.
- Physical examination of the vehicle including the undercarriage, and its contents, as deemed necessary by the Authority.

Upon successful screening the vehicle will be allowed direct entry to the site.

For vehicle companies wishing to participate in the "Trusted Vendor program" the company will be required to provide the information as previously outlined for the vehicle – identify and have credentialed the driver or group of drivers in accordance with the credentialing requirements, assign a supervisory employee (Trusted Individual) of the firm who will over-see the loading and dispatching of the vehicles and be willing to be subject to a bi-annual audit of their procedures.

C) Exhibits

A. WTC ID Process-Disqualifying Crimes June 2006

EXHIBIT A

WTC Identification Process - Disqualifying Crimes

June 2006

Standard Level Access for Unescorted Access to Secure Access Control Areas

Individual workers must agree to have a background check by filling out and signing a background screening application and consent form.

Identity Validation Check will be completed to determine that the individual is who the individual says he/she is.

Individual must be a United States Citizen, Lawful Resident alien, or otherwise lawfully permitted to work in the United States.

Validate applicant-supplied data to assess truthfulness. Willful falsification or omission disqualifies individual.

Identify criminal, terrorist, or other security-related information.

List of Disqualifying Criminal Offenses for Access to the World Trade Center Site

(a) Permanent disqualifying criminal offenses. An individual will be permanently disqualified from receiving credentials to access the World Trade Center Site if he or she is convicted, or found not guilty by reason of insanity, of any of the following crimes:

1. Violation(s) of the Racketeer Influenced and Corrupt Organization Act, 18 U.S.C. 1961, et seq., or a State law that is comparable.
2. A crime listed in 18 U.S.C. Chapter 113B-Terrorism, or a State law that is comparable.
3. Espionage
4. Sedition
5. Treason
6. Unlawful, possession, use, sale, distribution, manufacture, purchase, receipt, transfer, shipping, transporting, import, export, storage of, or dealing in an explosive or explosive device, or hazardous materials.
7. Conspiracy or attempt to commit any of the above offenses.

(b) Interim disqualifying criminal offenses. The crimes listed in paragraphs (b)(l) through (b)(3) of this section are disqualifying if either of the following factors is true: the applicant was convicted or found not guilty by reason of insanity of the crime in a civilian or military jurisdiction, within the 10 years preceding the date of application; or the applicant is currently on probation or parole for the crime regardless of the date of conviction.

1. Unlawful sale, distribution, manufacture, import or export of a controlled substance that resulted in the conviction of an A Felony in the New York State Penal Law, or any comparable law in any State, or comparable Federal Law.
2. Theft, dishonesty, fraud, extortion, or misrepresentation.
3. Conspiracy or attempt to commit any of the above crimes listed in (b).

(c) Interim disqualifying criminal offenses. The crimes listed in paragraphs (c)(l) through (c)(2) of this section are disqualifying if either of the following factors is true: the applicant was convicted or found not guilty by reason of insanity of the crime in a civilian or military jurisdiction, within 5 years preceding the date of application; or the applicant is currently on probation or parole for the crime regardless of date of conviction.

1. Violation of Felony Offenses (as defined in the New York State Penal Law 70.02) or any comparable law in any State.
2. Conspiracy or attempt to commit any of the above crime.

NOTE: An individual will be disqualified from receiving credentials to the WTC site if he or she is wanted or under indictment in any civilian or military jurisdiction for any of the crimes listed above until the want or warrant is released. Additionally, a person will not receive credentials if he or she is on the Terrorist Watch List.

Site Security Requirements
World Trade Center Site
New York City, NY

EXHIBIT A
WTC Identification Process - Disqualifying Crimes
June 2006

Medium Level Access for Unescorted Access to Secure Access Control Areas

Individual workers must agree to have a background check by filling out and signing a background screening application and consent form.

Identity Validation Check will be completed to determine that the individual is who the individual says he/she is.

Individual must be a United States Citizen, Lawful Resident alien, or otherwise lawfully permitted to work in the United States.

Validate applicant-supplied data to assess truthfulness. Willful falsification or omission disqualifies individual.

Identify criminal, terrorist, or other security-related information.

No convictions against below listed 49CFR 1542.209 (d) within seven (7) years preceding the date of application, except as noted*

(13) Murder.
(14) Assault with intent to murder.
(15) Espionage.
(16) Sedition.
(17) Kidnapping or hostage taking.
*(18) Treason.
(19) Rape or aggravated sexual abuse.
*(20) Unlawful possession, use, sale, distribution, or manufacture of an explosive or weapon.
**(21) Extortion.
**(22) Armed or felony unarmed robbery.
(23) Distribution of, or intent to distribute, a controlled substance.
(24) Felony Arson.
(25) Felony involving a threat.
(26) Felony involving-
- (i) Willful destruction of property;
- **(ii) Importation or manufacture of a controlled substance;
- **(iii) Burglary;
- **(iv) Theft;
- **(v) Dishonesty, fraud, or misrepresentation;
- **(vi) Possession or distribution stolen property;
- (vii) Aggravated assault;
- **(viii) Bribery; or
- (ix) Illegal possession of a controlled substance punishable by a maximum term of imprisonment: of more than 1 year; or

(27) Violence at international airports;
(a) Terrorism.

*(b) RlCO (Racketeer Influenced and Corrupt Organizations Act).
(c) A crime involving a severe transportation security incident.
(d) Felony involving-
(i) Smuggling;
(ii) Immigration violations;
(28) Conspiracy or attempt to commit any of the criminal acts listed in this paragraph.

Note * No convictions in their lifetime since birth

Note ** No convictions within the past ten (10) years preceding the date of this application

EXHIBIT A
WTC Identification Process - Disqualifying Crimes
June 2006

High Level Access for Unescorted Access to Secure Access Control Areas

Individual workers must agree to have a background check by filling out and signing a background screening application and consent form.

Individual must be a United States Citizen or a Lawful Resident Alien.

Identity Validation Check will be completed to determine that the individual is who the individual says he/she is.

Validate applicant-supplied data to assess truthfulness. Willful falsification or omission disqualifies individual.

Identify criminal, terrorist, or other security-related information.

No convictions against below listed 49CFR 1542.209 (d) within ten (10) years preceding the date of application, except as noted*

(1) Forgery of certificates, false marking of aircraft, and other aircraft regulation violation;
(2) Interference with air navigation;
(3) Improper transportation of a hazardous material:
(4) Aircraft piracy;
(5) Interference with flight crewmembers or flight attendants:
(6) Commission of certain crimes aboard aircraft in flight;
(7) Carrying a weapon or explosive aboard aircraft;
(8) Conveying false information and threats: (e.g., bomb threats, explosives in briefcase, etc. in security areas);
(9) Aircraft piracy outside the special aircraft jurisdiction of the United States;
(10) Lighting violations involving transporting controlled substances;
(11) Unlawful entry into an aircraft or airport area that serves air carriers or foreign air carriers contrary to established security requirements;
(12) Destruction of any aircraft or aircraft facility;
(13) Murder.
(14) Assault with intent to murder.
*(15) Espionage.
*(16) Sedition.
(17) Kidnapping or hostage taking.
*(18) Treason.
(19) Rape or aggravated sexual abuse.
(20) Unlawful possession, use, sale, distribution, or manufacture of an explosive or weapon.
(21) Extortion.
(22) Armed or felony unarmed robbery.
(23) Distribution of, or intent to distribute, a controlled substance.

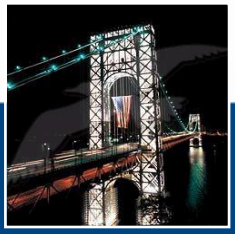
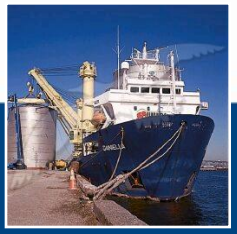
(24) Felony Arson.
(25) Felony involving a threat.
(26) Felony involving-
(i) Willful destruction of property;
(ii) Importation or manufacture of a controlled substance;
(iii) Burglary;
(iv) Theft;
(v) Dishonesty, fraud, or misrepresentation;
(vi) Possession or distribution stolen property;
(vii) Aggravated assault;
(viii) Bribery; or
(ix) Illegal possession of a controlled substance punishable by a maximum term of imprisonment: of more than 1 year; or
(27) Violence at international airports:
*(a) Terrorism.
*(b) RlCO (Racketeer Influenced and Corrupt Organizations Act).
(c) A crime involving a severe transportation security incident.
(d) Felony involving-
(i) Smuggling;
(ii) Immigration violations;
(28) Conspiracy or attempt to commit any of the criminal acts listed in this paragraph.

Note * No convictions in their lifetime since birth

EXHIBIT C

WTC – LOCATION PLAN

VESEY ST
ROUTE 9A
TOWER 1
GREENWICH ST
TOWER 2
CHURCH ST
FULTON ST
WTC WEST CONCOURSE
9A
UNDERPASS
NORTH
POOL
PATH
HALL
TRANSPORTATION
& RETAIL HUB
9/11
MUSEUM
GREENWICH ST
TOWER 3
CHURCH ST
ROUTE 9A
CORTLANDT ST
SOUTH
POOL
TOWER 4
LIBERTY ST
LIBERTY ST
LIBERTY PARK
GREENWICH ST

The Port Authority of New York & New Jersey

Information Security Handbook

October 15, 2008, corrected as of November 14, 2013

The Port Authority of New York and New Jersey

Information Security Handbook

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TABLE OF CONTENTS

Page

INTRODUCTION 1

CHAPTER 1

PORT AUTHORITY INFORMATION SECURITY ORGANIZATIONAL STRUCTURE 2

CHAPTER 2

CATEGORIZATION OF INFORMATION 4

2.1 DEFINITIONS 4

2.2 GENERAL PROCESS FOR CATEGORIZATION 5

2.3 TRAINING AND INFORMATION REVIEW 6

2.4 REMOVAL OF CATEGORY DESIGNATION 7

CHAPTER 3

INFORMATION ACCESS 8

3.1 APPLICABILITY 8

3.2 GENERAL CRITERIA 8

3.3 INFORMATION ACCESS CONTROLS 9

3.4 ACCESS DISQUALIFICATION 11

3.5 NON-DISCLOSURE AND CONFIDENTIALITY AGREEMENTS (NDAs) 11

3.6 UNAUTHORIZED DISCLOSURE OF INFORMATION 12

3.7 SECURITY CLEARANCE AND ACCESS PROHIBITIONS 12

3.8 BACKGROUND SCREENING 12

3.9 AUTHORIZED PERSONNEL CLEARANCE LIST 13

3.10 DEVELOPMENT OF CONFIDENTIAL INFORMATION
PRACTICES AND PROCEDURES (CIPP)..... 13

3.11 PROCUREMENT STRATEGIES 14

CHAPTER 4

MARKING, HANDLING, STORAGE, TRANSMITTAL AND
DESTRUCTION REQUIREMENTS..... 17

4.1 MARKING OF PROTECTED INFORMATION..... 17

4.2 HANDLING PROTECTED INFORMATION..... 19

4.3 TRANSMITTAL OF PROTECTED INFORMATION 19

4.4 STORAGE OF PROTECTED INFORMATION 22

4.5 DOCUMENT ACCOUNTABILITY LOG..... 22

4.6 REPRODUCTION 23

4.7 DESTRUCTION OF PROTECTED INFORMATION 23

4.8 INFROMATION TECHNOLOGY SYSTEMS
HANDLING OF ELECTRONIC INFORMATION /DATA …….24

4.9 TRANSMISSION/EXCHANGE OF ELECTRONIC INFORMATION ……...24

4.10 ELECTRONIC STORAGE ……25

4.11 USER ACCESS DEACTIVATION ……26

CHAPTER 5

AUDITING AND MONITORING 27

5.1 PURPOSE 27

5.2 AUDITS AND INVESTIGATIONS 27

5.3 SELF-ASSESSMENT 28

CHAPTER 6

POLICY VIOLATIONS AND CONSEQUENCES 29

6.1 RESPONSIBILITIES 29

6.2 VIOLATIONS, INFRACTIONS, OR BREACH OF INFORMATION SECURITY PROTOCOLS 29

6.3 VIOLATION REPORTING, INVESTIGATION AND FACT FINDING 29

6.4 DISCIPLINARY ACTION 29

CHAPTER 7

INFORMATION SECURITY EDUCATION AND AWARENESS TRAINING 31

7.1 PURPOSE 31

7.2 OVERVIEW 31

7.3 TRAINING PROGRAM ELEMENTS 31

APPENDICES OF HANDBOOK

A - PROTECTED INFORMATION

B – NON-DISCLOSURE AND CONFIDENTIALITY AGREEMENTS

B-1: Non-Disclosure and Confidentiality Agreements with reference to Handbook

B-2: Non-Disclosure and Confidentiality Agreements without reference to Handbook

B-3: PA/PATH Employee Non-Disclosure and Confidentiality Agreement

C – BACKGROUND SCREENING CRITERIA

D – THE SECURE WORKER ACCESS CONSORTIUM (SWAC)

E – COVERSHEET FOR CONFIDENTIAL PRIVILEGED INFORMATION

F – TRANSMITTAL RECEIPT

G –GUIDELINES FOR THE STORAGE OF PROTECTED INFORMATION

H– GUIDELINES FOR THE DISPOSAL AND DESTRUCTION OF PROTECTED INFORMATION

I- AUDIT PROCEDURES

INTRODUCTION

This *Port Authority of N.Y. & N.J. Information Security Handbook* ("Handbook") establishes guidelines and uniform processes and procedures for the identification, handling, receipt, tracking, care, storage and destruction of Protected Information (as hereinafter defined) pursuant to The Port Authority of New York and New Jersey Information Security Policy (the "Policy"). This Handbook is intended to be the implementation guideline for that policy. It is also intended to complement the Port Authority Freedom of Information Code (Code), inasmuch as it further defines certain information that may be exempt from release under the Code. The guidelines contained in this Handbook are not intended to, in any way, be in derogation of the FOI Code adopted by the Board in March 2012. The Code continues to provide open, timely and uninhibited access to the Port Authority's (and its subsidiary corporations') public records and reflects the New York Freedom of Information Law ("FOIL") and New Jersey's Open Public Records Act ("OPRA"). . This Handbook prescribes requirements and other safeguards that are needed in order to prevent unauthorized disclosure of Protected Information and to control authorized disclosure and distribution of designated sensitive information, when it is released by The Port Authority of New York and New Jersey (the "Port Authority") either internally or externally. A major underlying principle, on which the Handbook is premised, is that there is a limited universe of sensitive information to which it applies. There is the expectation that prudent, informed and circumscribed judgments will be made by those staff members charged with the responsibility of identifying and properly designating sensitive information, as is provided for in this Handbook. In this regard, adherence to the Handbook's requirements will help ensure that the necessary care will be constantly and consistently undertaken in order to ensure that mis-designation, or "over marking", of information will be avoided. Another important principle of the Handbook is that access to properly designated sensitive information is premised on a strict "need to know" basis. It is the establishment of this "need to know" that is the essential prerequisite for being granted access privileges. It must be emphasized that possession of a federal security clearance or other access rights and/or privileges to sensitive information does not *per se* establish a "need to know" for purposes of obtaining access to discrete sensitive Port Authority information. This principle is equally applicable to the Port Authority and its internal staff as it is to third party individuals and entities, which are given access privileges to sensitive Port Authority information.

This Handbook will be amended and updated from time to time as may be appropriate. When appropriate, each Port Authority department, office and/or business unit, as well as contractors/consultants, should create a "Confidential Information Practices and Procedures" ("CIPP") document with additional guidelines for their respective businesses. This will assist staff, and third parties working with the Port Authority, in carrying out the requirements of this Handbook. A CIPP should augment, but may not deviate from, the requirements of this Handbook. The procedures, safeguards and requirements of this Handbook fully apply to all subsidiaries of the Port Authority that deal with, or create, Protected Information. Whenever the term Port Authority is referenced in this Handbook, it should be understood to include and/or cover its subsidiary entities.

<u>The Port Authority expressly reserves the right to reject any information designation and/or to remove/add any and all markings on information that is not consistent with this Handbook.</u>

CHAPTER 1 - PORT AUTHORITY INFORMATION SECURITY ORGANIZATIONAL STRUCTURE

The Port Authority organizational structure for information security is as follows:

Chief Security Officer (CSO) – is responsible for the implementation of Port Authority policy on security matters, both physical and informational, and for the coordination of security initiatives throughout the agency in order to assure consistency in practices, procedures and processes. In particular, the CSO works in close collaboration with the Director of Technology Services Department and the Corporate Information Security Officer with regard to their respective areas of security responsibilities. The CSO acts as the Port Authority's principal liaison on security related matters with governmental, public and private entities. The CSO works closely with the Law Department, Public Safety Department and the Office of Inspector General on security initiatives, on compliance with governmental requirements on security matters, and on issues relating to compliance with the Port Authority's security policy.

Corporate Information Security Officer (CISO) – the CISO reports directly to the CSO in order to assure agency wide consistency on policy implementation. The CISO is responsible for the management, oversight and guidance of the Policy. The CISO works in conjunction with all appropriate Port Authority departments and subsidiaries to: (i) formulate practices and procedures concerning information security management issues affecting the Port Authority, its operations and facilities; (ii) review, categorize and manage all Port Authority information consistent with the Port Authority's policy and procedures under its Freedom of Information Code; and (iii) establish procedures and handling requirements for Port Authority information based upon its sensitivity designation in order to ensure that the information is used solely for authorized purposes. The CISO will report to the Secretary who in turn reports to the Executive Director.

Departmental Information Security Officer (DISO) - each department head, and, where appropriate, office head, will designate a staff member to act as DISO in order to ensure compliance with the Policy. The DISO is responsible for management and oversight of information security issues for departmental operations and reports to the CISO on information security practices and procedures, or issues relating thereto. Additionally, the DISO may perform the Security Information Manager (SIM) functions, if a SIM has not been designated for a department, division, office, unit or project. Each DISO is also responsible for compiling an inventory of all Confidential Privileged Information and Confidential Information in their department's possession and/or providing updated listings to the CISO on a monthly basis, or on such other periodic basis as may be established by the CISO. Additionally, the DISO is responsible for approving the departmental Confidential Information Practices and Procedures ("CIPP") document and, before authorizing its use, for submitting the CIPP to the CISO for final approval and providing periodic reports to the CISO, as the CISO may require.

Security Information Manager (SIM) – Port Authority departments, offices or other business units, as well as contractors, vendors, and consultants, individuals and/or entities, where appropriate, who are involved with, or who could have exposure to, Confidential Information shall designate a SIM who is responsible for coordinating the implementation and daily oversight of the Policy for the particular Port Authority department, office, business unit, or third-party contractor, vendor, or other party. The SIM reports to the DISO and/or the Security Project Manager (SPM) for a project, where applicable. If a Port Authority department

determines that the SIM function may be carried out by the DISO, then the SIM designation may not be required, unless or until the DISO, in consultation with the CISO, determines otherwise. The functions of the SIM are further described throughout this Handbook.

Director of Technology Services Department– is the head of the Technology Services Department (TSD). The Director of TSD, or the Director's designee, works with the CSO and the CISO to coordinate the Policy efforts and to provide the Port Authority with the most current resources needed to comply with legislative and regulatory requirements, to adhere to industry standards and best business practices and procedures, and to identify and address technology issues that may affect the current and future policy. The Director of Technology Services Department is also responsible for providing technical support and training to assist staff and to meet information security management goals.

Office of Inspector General (OIG) – The OIG's responsibilities include: conducting criminal and administrative investigations of possible misconduct by Port Authority officers and employees, as well as third parties doing business with the Port Authority; reviewing agency internal controls and management practices for weaknesses that could allow losses from corruption, incompetence and/or bad decision making; making recommendations for cost effective improvements; serving as the confidential investigative arm for the Port Authority's Ethics Board; conducting educational awareness programs for all Port Authority employees pertaining to integrity and ethics; and, where appropriate, conducting background investigations of certain contractors proposing to do business with the Port Authority. The OIG's Security Inspection Division is responsible for conducting investigations, inspections, reviews, and audits pertaining to all Port Authority security programs in all departments. It should be noted that cases involving investigations are exempt from CISO approval.

Information Security Subcommittee (ISSC), chaired by the CISO, includes departmental representatives from line departments (who might also be functioning as a DISO), the Law and Public Safety Departments, the Office of Inspector General and the Director of Technology Services Department. The ISSC assesses the Policy needs and the effectiveness of the policy's implementation, as well as evaluating initiatives for its further development and refinement.

CHAPTER 2 - CATEGORIZATION OF INFORMATION

2.1 Definitions

For purposes of this Handbook the following definitions shall apply:

(a) "**Information**" means, collectively, all documents, data, reports, notes, studies, projections, records, manuals, graphs, electronic files, computer generated data or information, drawings, charts, tables, diagrams, photographs, and other media or renderings containing or otherwise incorporating information that may be provided or made accessible at any time, whether in writing, orally, visually, photographically, electronically or in any other form or medium, including, without limitation, any and all copies, duplicates or extracts of the foregoing.

(b) "**Protected Information**" means and includes collectively, Confidential Information, Confidential Privileged Information, Sensitive Security Information (SSI), Critical Infrastructure Information (CII) or Health Insurance Portability and Accountability Act (HIPPA) and Information that is labeled, marked or otherwise identified by or on behalf of the Port Authority so as to reasonably connote that such information is confidential, privileged, sensitive or proprietary in nature. The term Protected Information shall also include all work product that contains or is derived from any of the foregoing, whether in whole or in part, regardless of whether prepared by the Port Authority or a third-party, or when the Port Authority receives such information from others and agrees to treat such information as Protected.

(c) "**Confidential Privileged Information**" means and includes collectively Information that reveals security risks, threats, vulnerabilities, documentation that identifies specific physical security vulnerabilities or revealing specific security vulnerabilities details related to emergency response protocols, egress plans, flow paths, egress capacities, (diagrams, codes, standards) etc., which is not publicly available." and any and all Information, documents and materials entitled to protection as a public interest privilege under New York State law and as may be deemed to be afforded or entitled to the protection of any other privilege recognized under New York and/or New Jersey state laws or Federal laws.

(d) "**Confidential Information**" means and includes collectively, any and all Information, documents and materials entitled to protection as a public interest privilege under New York State law and as may be deemed to be afforded or entitled to the protection of any other privilege recognized under New York and/or New Jersey state laws or Federal laws. It also includes Information that contains sensitive financial, commercial or other proprietary business information concerning or relating to the Port Authority, its projects, operations or facilities that would be exempt from release under the Port Authority Freedom of Information Code. It also includes sensitive financial, commercial and other business information received from third parties under Non-Disclosure and Confidential Agreements.

(e) "**Health Insurance Portability and Accountability Act (HIPAA)"** Employees, associates or other contract personnel who have access to Protected Health Information (PHI) must refer to, and comply with, the Privacy Policies and Procedures to Protect Personal Health Information. Privacy regulations issued under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA" or "Privacy Laws") place restrictions on the Group Health Plans of the Port Authority and PATH (the "Plans") ability to use and disclose Protected Health Information ("PHI").

(f) "**Attorney Work Product"** Attorney work product and other privileged information should be protected and treated in accordance with the established rules of the legal profession and may carry the label "Privileged & Confidential" or "Attorney Work Product". Certain attorney work product information may also fall within the definitions of Confidential Privileged and/or Confidential Information as established by the Handbook, and as such, should be marked and treated in accordance with the Handbook and the Law Department CIPP.

(g) "**Critical Infrastructure Information**" (CII) has the meaning set forth in the Homeland Security Act of 2002, under the subtitle Critical Infrastructure Information Act of 2002 (6 U.S.C. §131-134), and any rules or regulations enacted pursuant thereto, including, without limitation, the Office of the Secretary, Department of Homeland Security Rules and Regulations, 6 C.F.R. Part 29 and any amendments thereto. CII may also be referred to as "Protected Critical Infrastructure Information" or "PCII," as provided for in the referenced rules and regulations and any amendments thereto.

(h) "**Sensitive Security Information**" (SSI) has the definition and requirements set forth in the Transportation Security Administrative Rules & Regulations, 49 CFR 1520, (49 U.S.C. §114) and in the Office of the Secretary of Transportation Rules & Regulations, 49 CFR 15, (49 U.S.C. §40119) and any amendments thereto.

(i) "**Non-Disclosure and Confidentiality Agreement**" (NDA) refers to the Agreements attached hereto as Appendix "B" (which include Appendices B-1 through B-3). When approved by the Law Department, other forms of a NDA may be used for special situations or specific projects, however, a general NDA may be used in retaining consultants and contractors where the retainer involves work on various projects.

(j) "**Non-Disclosure Instructions**" (NDI) refers to the instructions attached hereto as Appendix "C." A NDI is used when represented staff are given or have responsibilities, which involve working on sensitive and/or security related matters, and/or when such staff is being given access to Confidential Information. The NDI is given to each individual before starting such work or on being given such access. The CISO, in consultation with the Law Department, may allow the use of NDI's in other circumstances, as may be appropriate.

2.2 General Process for Categorization

As defined hereinabove, the term Protected Information includes all Port Authority Information protected pursuant to this Handbook or as governed by statutory regulations. Any sensitive Information not specifically deemed Confidential Privileged Information should be categorized as Confidential Information. In addition, certain other types of Protected Information, such as HIPAA, SSI and CII, are treated separately and distinctly because they are governed by specific federal designations and must be marked and handled in accordance with federal regulations or requirements. The requirements in this Handbook apply to all Protected Information, unless otherwise specified. Where a different or additional requirement applies to a specific sub-category of Protected Information, it will be noted.

Each DISO, in consultation with the CISO, shall create a list of examples of Confidential and Confidential Privileged Information to be used as a guide by the departmental staff. This list may be included in the department's CIPP. Any employee, consultant, third-party contractor or other agency personnel may nominate Information for categorization in either of the two categories. The DISO, SIM, supervisors, managers or the CISO, as may be appropriate, should take the action needed to process the Protected Information under their control and to review it as soon as possible. It is important to understand that not every piece of material currently held should be reviewed. The review should only be of Information that is considered potential Protected Information. If management, employees, consultants, third-party contractors, or other agency personnel determine that Information under review contains Protected Information, the Protected Information should be designated with the appropriate categorization.

In order to categorize Information as Confidential Privileged Information or Confidential Information the following steps must take place:

1. Inform the DISO or SIM, where applicable, and the unit supervisor of the group/entity proposing the categorization.
2. Obtain DISO concurrence and approval.
3. Obtain CISO approval (except in the case of the PA OIG).
4. If approved, mark and label the information, and, if appropriate, apply a cover sheet (See Appendix F).

If Information has been nominated for Confidential or Confidential Privileged categorization, a final decision on the nomination shall be made within one week of its submission. During the time period between the submission and a determination regarding the categorization, the nominated Information should not be reviewed, released or distributed to any individuals, other than those individuals who possess a need to know and are currently familiar with the Information, or were previously provided access to other Confidential or Confidential Privileged Information for the same project or task.

2.3 Training and Information Review

Port Authority managers, including, but not limited to, the DISO, SPM and the SIM will complete training. This enables them to conduct a continuing review of Protected Information under their control in order to identify and categorize it as Confidential or Confidential Privileged Information. Employees, consultants, third-party contractors or other agency personnel must participate in and complete the Policy training, which enables them to continue the process of review, identification, and categorization of Protected Information.

Each Department Director will determine which staff members in the respective department require Policy training and will do so on an ongoing basis. When access to Protected Information is given to third parties, a training requirement may also be a condition for granting access privileges.

2.4 Removal of Category Designation

At some point, Protected Information may no longer be considered Confidential or Confidential Privileged, and should therefore have its designation removed or eliminated. This may occur as a result of any number of circumstances, including changes within the Policy, the changing nature of information security, a better understanding of particular material, and/or changes in public policy or law, among others. In order to determine whether category designations should be removed from particular materials, the CISO may establish criteria for the periodic review of all sensitive material. In any case, the category designation of any particular Protected Information may not be removed without the approval of the CISO. A record of any removal of categorization for particular information must be kept by the DISO, with a copy provided to the CISO.

CHAPTER 3 – INFORMATION ACCESS

3.1 Applicability

Each employee, consultant, third-party contractor, tenant, individual and/or entity requiring, or requesting, access to Port Authority Protected Information must adhere to the requirements set forth in this Handbook.[1] Protected Information is intended for official business use only. Failure to abide by the procedures set forth in the Handbook can lead to a denial of access privileges to Protected Information and/or other contractual, civil, administrative or criminal action.

All employees, consultants, third-party contractors, individuals and/or entities given access privileges to Protected Information are responsible for overseeing the safeguarding and protection of Protected Information in their possession or under their control as per this Handbook's requirements. Questions concerning the safeguarding, protection, release, and/or access to Protected Information should immediately be brought to the attention of the CISO, DISO, SPM, or SIM, as may be appropriate, in the particular circumstance.

3.2 General Criteria

In order for access to certain Protected Information to be considered for approval, all individuals including PA staff, must meet and complete the following criteria, unless otherwise required under federal or state regulations:

- Be a citizen of the United States of America, or be an alien who has been lawfully admitted for permanent residency or employment (indicated by immigration status), as evidenced by Immigration and Naturalization Service documentation, or be a national of the United States as defined by the Immigration and Nationality Act. This requirement may be waived by the CISO with the concurrence of the OIG and/or the CSO where and when circumstances so require.
- Obtain sponsorship for a request to be given access to Protected Information through the individual's assigned chief, director, manager, or supervisor. The written request must include justification for access, level of access required, and indicate the duration for which access privileges are required. (OIG is exempt from this)
- Forward the request through the individual's supervisory chain to the CISO, "(except in the case of the PA OIG) , via the appropriate DISO, SPM, or SIM, requesting that a specific background check be undertaken, where appropriate and/or required.
- Background check required to access CP information and/or accessing a PA Facility that requires background screening."
- Complete the Port Authority Information Security Education and Awareness Training.

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[1] The CSO and/or the OIG in consultation with the Law Department may modify and/or waive the condition of complying with the requirements of the Handbook where such compliance is impractical, such as in the case of a governmental entity having its own information security procedures and/or protocols governing the handling and protection of sensitive information. In addition, certain sensitive information is required to be submitted to other governmental entities under applicable laws, rules or regulations, or the Port Authority may elect to submit Confidential Information to a governmental entity, such as in the case of the CII process, wherein it may elect to submit Confidential Information to the Department of Homeland Security in order to secure the protection of the CII regulatory scheme.

- Execute a Port Authority NDA (See Appendix B), or an Acknowledgement of an existing executed NDA, and, if the individual is Port Authority represented staff, have been provided with the NDI. Consultants or third party need's to designate a Security Information Manager (SIM)
- Be granted final approval of the security clearance level, in writing, by the CISO who verifies that all requirements have been met.

The individual's name must be entered on the appropriate department, or Port Authority Authorized Personnel Clearance List for access to Confidential and/or Confidential Privileged Information. See Sec. 3.9 for more information regarding this List (Note: If an individual's name does not appear on the appropriate Authorized Personnel Clearance List, access must be denied).

Individuals who meet and complete the criteria listed above are neither guaranteed, nor automatically granted, access to Protected Information, since access is conditioned on need to know criteria. The OIG may access, without approval of the CISO, DISO, SPM or SIM, all Protected Information when it is needed in connection with an OIG investigation, audit or inspection work, or any other Port Authority related work, subject to the handling requirements set forth in this Handbook.

3.3 Information Access Controls

Access to all Protected Information falling within any of the Port Authority Information categories shall be undertaken in a manner that complies with and maintains all applicable state, federal and common law protections. Access to particular Information must be conditioned upon a strict need to know basis with regard to the particular, discrete Information, regardless of any federal security clearance, or other Port Authority or other organizational information access authorization. An individual's need to know is not established simply by reason of the individual possessing a recognized federal security clearance, including one that allows for access to a higher level of classified information than is otherwise required for the discrete Port Authority Information to which access is sought. All requests for access to SSI by anyone who does not possess the requisite "need to know" under SSI regulations must be reported to the Transportation Security Administration ("TSA") or, if applicable, the United States Coast Guard ("USCG") and, in certain instances, the Department of Transportation ("DOT").

(a) Protected Information

Access to Protected Information shall be on a need to know basis only, as determined by the DISO. In certain limited instance's access, privileges may be conditioned on the satisfactory completion of a background investigation(s). The background investigation, if warranted, should utilize the least stringent criminal history access disqualification criteria that is appropriate for granting access to the particular information for both Port Authority and non-Port Authority employees. Where a background investigation is a condition to granting access, a DISO may determine that periodic updates of such investigations are required as a condition to maintaining continued access privileges. Access by third parties to certain Protected Information, such as Confidential Privileged, and/or Confidential Information, requires that the parties execute a NDA or an Acknowledgment of an existing NDA if the CISO or OIG determines that a NDA and/or Acknowledgment is required.

(i) Confidential Information

Access to Confidential Information shall be on a need to know basis only, as determined by the DISO. In certain instances, access privileges may be conditioned on the satisfactory completion of a background investigation(s). The background investigation should utilize the least stringent criminal history access disqualification criteria that is appropriate for granting access to the particular information for both Port Authority and non-Port Authority employees. Where a background investigation is a condition to granting access, a DISO may determine that periodic updates of such investigations are required as a condition to maintaining continued access privileges. Access by third parties to Confidential Information may require that the parties execute a NDA or an Acknowledgment of an existing NDA if the CISO or OIG determines that a NDA and/or Acknowledgment is required.

(ii) Confidential Privileged Information

Individuals requiring access to Confidential Privileged Information must have a need to know consistent with the creation and preservation of the privilege attaching to the particular Information. An individual will be given access privileges to the Confidential Privileged information only to the extent that it is necessary and/or is required by the individual in order to fulfill and/or carry out his/her duties, obligations and responsibilities to the Port Authority. Access to Confidential Privileged information is subject to the satisfactory completion of a background investigation for non-Port Authority individuals and to continuing periodic checks. A list of disqualifying crimes for the different levels of background screening is attached as Appendix "D." A more stringent background investigation may be required of the individual for access to certain Confidential Privileged Information if determined by the DISO. All access to such Information must be granted and received in a manner that does not compromise or abrogate the particular privilege attaching to the Information.

Confidential Privileged Information may not be disclosed to any individual without appropriate prior approvals. Approval for disclosure of Confidential Privileged Information to third parties must be obtained from the DISO. A Port Authority employee or other individual may not waive any privilege attaching to Port Authority Information without the Port Authority's express permission as granted by the CISO, unless the Information to which the Port Authority asserts a privilege is personal to a particular employee or individual and the privilege is directly derived by reason of that circumstance. Access by third parties to Confidential Privileged Information will be conditioned on the parties' execution of a NDA or an Acknowledgment of an existing executed NDA, as may be appropriate and determined by the CISO. In the case of certain represented employees/individuals, and in some cases NDIs may be utilized in lieu of NDAs upon the approval of the CISO.

3.4 Access Disqualification

Any employee, consultant, third-party contractor, or other individual and/or entity, who has been granted access to Protected Information, may be temporarily denied access while an investigation is conducted regarding any report to the CISO, OIG and the DISO that such individual misused, mishandled, or lost Protected Information, or disclosed, disseminated, or released Protected Information to an unauthorized individual or entity. Further, access to Protected Information can be denied when improper or incomplete verification checks of employees, entities, or individuals are discovered. In addition, if an individuals' SWAC has expired, or access level has changed that individual may no longer have access to Protected Information.

Where it is determined that an individual has misused, mishandled or otherwise improperly disclosed, released or disseminated Protected Information without authorization, that individual may be subject to disqualification of access privileges and may also be subject to sanctions, including formal disciplinary actions where the individual is a PA employee, with possible penalties up to and including termination of employment. The foregoing action shall be documented and provided to the individual's employer, SPM, DISO, or departmental manager, OIG, and the CISO, as may be appropriate. In the case of third parties, remedial action may include, but is not limited to, imposition of a monitor to oversee compliance with information security and general security requirements, or possible disqualification, and/or termination of present and/or future business relationships. Individuals and entities may also be subject to criminal or civil legal action, as may be appropriate. Additionally, see Chapter 6 regarding the possible consequences of violations of this Policy.

3.5 Non-Disclosure and Confidentiality Agreements (NDAs)

Employees, consultants, third-party contractors, tenants, or other individual or entities, including governmental agencies where appropriate, will be required to sign NDAs or an Acknowledgment of an existing NDA, or be subject to an NDI, as a condition of being granted access to Confidential Privileged Information and, where appropriate, Confidential Information. Employees, consultants, third-party contractors, or other agency personnel who refuse to sign a NDA, in situations where it is required, will be denied access to Confidential and/or Confidential Privileged Information, except in the case of certain Port Authority employees and third parties where a NDI may be utilized in instructing and advising the Port Authority employee and/or third party of the obligations and the requirements for handling Confidential Information. In certain circumstances, a Memorandum of Understanding or Memorandum of Agreement containing approved non-disclosure and confidentiality requirements may be utilized, in which cases approvals are required from the CISO and the General Counsel, or their respective designees. The DISO is responsible for determining whether a NDA/NDI is required as a condition to being granted access privileges to certain Protected Information, other than Confidential Privileged Information. If an individual refuses to execute an individual Acknowledgment, PA Employee NDA or to receive the NDI, if it is deem required by the DISO, CISO or OIG, access to the certain Protected Information must be denied. The SIM is also responsible for keeping proper documentation for employees and individuals subject to NDIs, including the date when the individual was given the NDI and by whom. A copy of all executed agreements and acknowledgements are to be provided to the PA DISO and Third Party SIM. Original executed NDAs shall be forwarded to the CISO, by the DISO, for filing in the official Port Authority records repository, with a copy to Law Department DISO.

3.6 Unauthorized Disclosure of Information

If employees, consultants, third-party contractors, or other individuals and/or entities with authorized access to Protected Information become aware that Protected Information has been released to unauthorized persons, lost, stolen or compromised, they are required to immediately notify the DISO, CISO, the Office of Inspector General, and any other appropriate information security officer and report the discovery. In the case of SSI, the CISO must inform the TSA, DOT, or USCG and, in the case of CII, the Department of Homeland Security ("DHS"), of the breach of security. DOT, DHS, TSA and USCG rules govern the reporting of any unauthorized disclosure of SSI or CII.

3.7 Security Clearance and Access Prohibitions

Access to Protected Information is not a right, privilege, or benefit of contracting with or employment by the Port Authority, rather it is based on pre-established guidance. Protected Information should not be divulged, released, turned over, or provided to any individual in any organization who does not meet the established criteria or conditions set forth herein, or who has not been approved for a security clearance issued by the Port Authority DISO, CISO or OIG. The following security clearance and access guidelines and/or prohibitions are in effect to protect Protected Information:

- Protected Information shall only be used in the performance of required job responsibilities, or in order to complete assigned tasks as determined by the SIM and DISO, with the concurrence of the CISO or OIG. No other disclosure or use of Protected Information is authorized.
- Individual access to Protected Information will be rescinded when an employee, consultant, third-party contractor, individual or entity, who had been granted access to Protected Information, is no longer employed by the Port Authority, or is no longer under contract with, or no longer has a relationship with the Port Authority, or is no longer in a position that requires access to Protected Information in order for the individual or entity to perform duties or complete tasks/projects.
    - Employees may not unilaterally sponsor themselves for background verification or enter their name on an Authorized Personnel Clearance List.
    - Group access of organizations to Protected Information should be prohibited. Each individual in a group must have security clearance to access Protected Information.
    - Persons who rarely, if ever, require access to Protected Information, (i.e., maintenance, food service, cleaning personnel, vendors and other commercial sales, or service personnel, who perform non-sensitive duties), should not be approved for a security clearance.

3.8 Background Screening

In order to determine if any individual poses a potential security threat to the Port Authority or its Facilities, the Port Authority requires background screening to verify the personal identity of, and determine the criminal history of, all contactors and consultants working in secure areas at Port Authority facilities or handling security related Protected Information. As such, employees of third party contractors/consultants requiring access to certain Protected Information relating to security on a specific project must obtain clearance through a background check prior to being provided access to information unless otherwise waived in writing by the CISO or OIG. This

includes all individuals working on the project, including administrative and back-up staff that have access to and/or are handling Confidential or Confidential Privileged Information.

All background checks for third parties required under the Policy should normally be conducted through the "Secure Worker Access Consortium" (SWAC), which is presently the only Port Authority approved service provider of a background screening checks, except as otherwise required by federal law and or regulation. The Office of Emergency Management administers this provider. S.W.A.C. is accessed by an online application (http://www.secureworker.com) that enables the secure collection, processing, maintenance and real-time positive identity verification (PIV) of individuals. The S.W.A.C. background check is not a replacement for any federal agency (DHS, TSA, etc.) required background screening. S.W.A.C. membership is valid for three years, at the end of which the member must renew the online application. In addition, certain employees, such as those in the Public Safety Department, will have their criminal history background checked through the electronic databases maintained by federal and/or state law enforcement agencies when required as a condition of employment, or when required by federal or state laws, rules, and/or regulations, or, in certain cases, where it is legally permitted and is deemed appropriate by the CSO or OIG.

The DISO/SIM has authority to obtain the background check information from S.W.A.C. Additional information about S.W.A.C., corporate enrollment and online applications can be found at http://www.secureworker.com, or it may be contacted at (877) 522-7922. The S.W.A.C. application process is described in Appendix "E."

In some cases TSA's Transportation Workers Identifications Credentials (TWIC) or Security Identification Display Area (SIDA) background screening and credential may be used in lieu of the SWAC process with approval by the DISO.

3.9 Authorized Personnel Clearance List

The DISO and SIM are responsible for compiling, maintaining, and updating their respective list databases on an ongoing basis and forwarding the information to the CISO for compilation into a master listing. Each DISO shall periodically review its department's/business unit's list with its SIM to ensure that the list is current and that each individual's access to Protected Information is still required. The CISO will maintain a master list database containing the names of all employees, consultants, third-party contractors, and other individuals and/or entities that have been granted a Port Authority security clearance and the specific category for which the security clearance was received, including, but limited to, for a particular project, or for specific Protected Information.

3.10 Development of a Confidential Information Practices and Procedures (CIPP)

Departments, offices and/or business units may adopt an individualized, discrete CIPP tailored to their respective particular business practices for handling Protected Information. The CIPP is meant to augment the Handbook and must be consistent with it. Each CIPP must be approved by the CISO before being implemented.

3.11 Procurement Strategies

(a) General

As a public agency, the Port Authority has an established procurement process based on openness, integrity, and fairness to the vendor community. The security of Protected Information must be incorporated at the beginning of the procurement process in order to establish a security benchmark that may be applied throughout the procurement process, as well as during the term of the award/contract.

(b) Lifecycle Phases and Procurements

A project may contain Protected Information in one or more of its lifecycle phases (pre-award, award, design, construction, close-out, or maintenance/service operation contracts, etc.).

Procurement and lifecycle information should be thoroughly reviewed by the originator before being submitted to the Procurement Department for processing. If Protected Information is discovered thereafter by Procurement, or any reviewing department, the originator's department manager or designee should be contacted immediately to retrieve the Protected Information and process it in accordance with the Policy and this Handbook.

(c) Risk Exposure and Business Risk Strategy

Procurement shall develop and retain, by project, a current listing of pre-screened persons or pre-qualified firms to bid on sensitive projects who agree to abide by the Policy requirements. Requirements must be included in procurement documents in order to help reduce potential disclosure of Protected Information and to provide bidders with certain security requirements in advance. They must also be included in contract awards to ensure information protection practices, procedures, and protocols are included in each project's lifecycle phase. The typical requirements are:

(i) Non-Disclosure and Confidentiality Agreements (NDA). Require prospective consultants, prime vendors, general contractors, or commercial enterprises to enter into a NDA with the Port Authority before obtaining a copy of a RFP. NDAs should be project and procurement specific and should be completed in a timely manner for specific types of procurements or projects. A broad or generic NDA should not normally be utilized to cover all procurements and projects under contract to a particular consultant, prime vendor, general contractor or commercial enterprise over a long period of time, however, it may be appropriate in certain situations to utilize such a NDA, if approved by the DISO with the concurrence of the CISO. Consultants, Prime Vendors, General Contractors, or Commercial Enterprises should contact the Port Authority to request authority prior to releasing RFP Protected Information to a sub-contractor. The sub-contractor may have to execute an Acknowledgement that it will comply with the terms of any NDA that the successful bidder has executed.

(ii) Background Screening. Require potential users seeking access to certain Protected Information to undergo background pre-screening. The pre-screening may parallel the screening requirement used by the Port Authority to grant access to Protected Information under Section 3.3. S.W.A.C.'s background screening is usually finalized within five to ten business days.

(iii) Designation of a Security Information Manager (SIM). Require companies involved in Protected Information procurements or projects to designate a SIM to ensure information security and Protected Information requirements are followed. A second employee may be designated as an alternate SIM. All SIM"s will be required to get SWAC'd.

(iv) Information Security Education and Awareness Training. Require consultants, vendors, contractors and commercial enterprises to attend training to ensure security awareness regarding Port Authority information.

(v) Physical Security. Outline the specific guidelines and requirements for the handling of Protected Information to ensure that the storage and protection of Protected Information is consistent with the requirements of Chapter 4 of this Handbook.

(vi) Transfer or Shipping Sensitive Information. Prohibit or place restrictions on the transfer, shipping, and mailing of Protected Information consistent with the handling procedures set forth in Chapter 4 of this Handbook.

(vii) Website Restrictions. Prohibit posting, modifying, copying, reproducing, republishing, uploading, downloading, transmitting, or distributing Protected Information on unauthorized websites or web pages. This may also include restricting persons, who either have not passed a pre-screening background check, or who have not been granted access to Confidential Information, from viewing such information.

(viii) Destruction of Documents. Require Protected Information to be destroyed using certain methods, measures or technology consistent with the requirements set forth in Chapter 4 of this Handbook.

(ix) Use of Similar Agreements Between Prime Vendor and Subcontractors/Subconsultants. Require the prime vendor, general contractor, or consultant to mandate that each of its subcontractors/sub consultants maintain the same levels of security required of the prime vendor, general contractor, or consultant under any Port Authority awarded contract.

(x) Publication Exchanges. Prohibit the publication, exchange or dissemination of Protected Information developed from the project or contained in reports, except between authorized vendors, subcontractors and subconsultants, without prior approval of the Port Authority. Requests for approval should be routed to and reviewed by the CISO in conjunction with the Law Department and, where appropriate, Public Affairs.

(xi) Information Technology. Matters involving information technology policy, or use of particular hardware or software, should require the application of specific protocols and/or software tools to support Port Authority projects. Coordination of information technology and consultation with the Director of Technology Services Department and the CISO may be required for the success of particular projects.

(xii) Audit. Include provisions to allow the Port Authority to conduct audits for compliance with Protected Information procedures, protocols and practices, which may include, but not be limited to, verification of background check status, confirmation of completion of specified training, and/or a site visit to view material storage locations and protocols.

(xiii) Notification of Security Requirements. Advise all consultants, third-party contractors, and other individuals and/or entities, as may be appropriate, that Port Authority security procedure requirements may be imposed throughout the duration of the project.

(xiv) Reproduction/Copies. Reproductions of Protected Information shall be consistent with the requirements of Chapter 4 of this Handbook.

CHAPTER 4 – MARKING, HANDLING, STORAGE, TRANSMITTAL AND DESTRUCTION REQUIREMENTS

4.1 Marking of Certain Protected Information

(a) Confidential Privileged and Confidential Information

All documents, drawings, and all other Information that contain Confidential Privileged, or Confidential Information must be marked with the appropriate respective protective marking: “CONFIDENTIAL PRIVILEGED” (alternatively “CONFIDENTIAL AND PRIVILEGED”) or “CONFIDENTIAL” (alternatively, where appropriate, Confidential Proprietary Information). The markings must be conspicuous and in bolded Arial with a 16 point font size or equally visible typeface.

The front page (or front and back cover, if appropriate) shall be marked at the top and bottom of the page. In addition, all interior pages within the document must also be marked at the top and the bottom of the page. Sets of documents large enough to be folded or rolled must be marked or stamped so that the marking is visible on the outside of the set when it is rolled or folded. The marking must be visible from the exterior container of the material, e.g., the spine of a binder, or compact disc container or cover.

All Confidential Privileged Information must bear the following warning sign on its front cover, back cover, and title sheet or first page. For compact discs, DVDs or other smaller materials, the warning sign may be printed on an adhesive label and affixed to the material. It should be in visible typeface and state:

> "WARNING”: The attached is the property of The Port Authority of New York and New Jersey (PANYNJ). It contains information requiring protection against unauthorized disclosure. The information contained in the attached document cannot be released to the public or other personnel who do not have a valid need to know without prior written approval of an authorized PANYNJ official. The attached document must be controlled, stored, handled, transmitted, distributed and disposed of according to PANYNJ Information Security Policy. Further reproduction and/or distribution outside of the PANYNJ are prohibited without the express written approval of the PANYNJ.
>
> At a minimum, the attached will be disseminated only on a need to know basis and, when unattended, will be stored in a locked cabinet or area offering sufficient protection against theft, compromise, inadvertent access and unauthorized disclosure.

(b) Sensitive Security Information Requirements

Pursuant to the federal regulations governing SSI, Port Authority Protected Information that has been designated SSI by the Federal government must be conspicuously marked with its respective protective marking “SENSITIVE SECURITY INFORMATION” on the top and the distribution limitation statement on the bottom of each page of the document including, if applicable, the front and back covers, the title page, and on any binder cover or folder. The

protective marking must be in bolded Arial 16-point font size and the distribution limitation statement must be in an 8-point font size. All copies of SSI documents must also bear the required markings.

The distribution limitation statement is:

> WARNING: This record contains Sensitive Security Information that is controlled under 49 CFR parts 15 and 1520. No part of this record may be disclosed to persons without a "need to know," as defined in 49 CFR parts 15 and 1520, except with the written permission of the Administrator of the TSA or the Secretary of Transportation. Unauthorized release may result in civil penalty or other action. For U.S. government agencies, public disclosure is governed by 5 U.S.C. 552 and 49 CFR parts 15 and 1520.

(c) Critical Infrastructure Information

Pursuant to the federal regulations governing CII, Port Authority Protected Information that has been marked PCII by the Department of Homeland Security PCII Program Manager or the manager's designee will be marked as follows:

> This document contains PCII. In accordance with the provisions of 6 CFR Part 29, this document is exempt from release under the Freedom of Information Act (5 U.S.C. 552 (b)(3)) and similar laws requiring public disclosure. Unauthorized release may result in criminal and administrative penalties. This document is to be safeguarded and disseminated in accordance with the CII Act and the PCII Program requirements.

(d) Document Control Number for Confidential Privileged Information

Documents that have been identified as Confidential Privileged Information will be given a control number, which shall consist of the category of information followed by an acronym for the transmitting department, followed by the last 2 digits of the year, followed by a number that is sequential and, finally, followed by the copy number.

Examples:

CP – LAW – 13 – 1 – 1

CP – PMD – 07 – 10 – 2

The front page (or front and back cover, if appropriate) and all pages of Confidential Privileged Information shall be marked with the control number. The control number must also be visible from the exterior container of the material, e.g., the spine of a binder, or compact disc container or cover. If deemed necessary by the DISO or CISO, certain Confidential Information or other Protected Information may be given a control number.

4.2 Handling Protected Information

Handling refers to the physical possession of, and includes working on or with, Protected Information to perform job duties or complete tasks or projects. This includes, but is not limited to, reading, copying, editing, creating, or correcting the material. Protected Information in any form, including physical or electronic, must be under constant surveillance by an authorized individual to prevent it from being viewed by, or being obtained by, unauthorized persons. Protected Information is considered to be in use when it is not stored in an approved security container.

The following is a chart of the minimum-security requirements for handling Protected Information, and certain requirements that apply only to Confidential Privileged and Confidential Information:

Minimum Security Requirements for Handling	**Confidential Privileged Information**	**Confidential Information**
Must never be left unattended outside of storage location.	X	
Must be under the direct and constant supervision of an authorized person who is responsible for protecting the information from unauthorized disclosure.	X	
Must be turned face down or covered when an unauthorized person is in the vicinity. Be cognizant of others in area that can view your computer screen.	X	X
When leaving a computer unattended ensure that the screen is locked.	X	
Attach an information cover sheet when removing materials from their place of storage.	X	
Use all means to prevent unauthorized public disclosure of information.	X	X

4.3 Transmittal of Protected Information

Transmission refers to the sharing among individuals and/or entities, and/or the transfer or movement of Protected Information from one location to another using either physical or electronic means. The following chart sets forth the methods by which Protected Information should be transmitted. In all instances, Protected Information must at all times be safeguarded and transmitted in a manner and method designed to insure that it is not disclosed, or otherwise compromised, and it should be appropriately marked with the proper identifying marking.

In general, all Confidential Privileged Information must be signed in and out, and, in certain situations as determined by the DISO or SIM, Confidential Information may be signed in and out as well. A cover sheet must be attached to the Confidential Privileged or, in certain situations as determined by the SIM, to Confidential Information and it should be marked appropriately. With respect to Confidential Privileged Information, the coversheet attached as Appendix "F" is to be utilized to draw emphasis to the fact that a document contains Confidential Privileged Information and to limit visual exposure to unauthorized individuals in near proximity. Confidential Privileged Information and, where appropriate, Confidential Information, must be wrapped and sealed. The exterior of the wrapping should not indicate that it is sensitive material, or its category, or level.

Confidential Privileged Information may be transported using public modes of transportation, and a courier service may also be utilized; provided, however, that the sign in and sign out procedures will apply, as well as wrapping and sealing procedures. All packages must be sealed in a manner that easily identifies whether the package has been opened prior to delivery to the intended recipient. The use of a double wrapped/enveloped package or a tamper resistant envelope must be used to fulfill this requirement. Protective markings are not to be placed on the outer visible envelope. If using a double wrapped package or two envelopes, the inner wrapping or envelope should be marked in accordance with appropriate category designation. The package must be addressed to an individual who is authorized to receive it or, preferably, to the SIM. All packages must contain a specific individual's name on the shipping label. Where appropriate any of the foregoing requirements may also be required in handling Protected Information and can be provided for generally in the department's CIPP, or as required by the DISO and/or SIM with respect to handling such information in specific instances.

Minimum Security Requirements for Transmission	**Confidential Privileged Information**	**Confidential Information**
Verbally at a meeting, conference or briefing where all attendees have the appropriate security clearance	X	X
Electronic Systems: restrict to Livelink[2] or a similar approved secure repository	X	
Electronic Mail: restricted from using e-mail accounts to transmit. NOTE: Confidential Information may be transmitted using encryption with express permission by the DISO/SIM, in writing	X	
Hand Carried or delivered in the personal custody of Authorized Individual: (a) request return receipt (b) place in sealed envelope, and (c) name of recipient, department, address and phone number must be written on face of envelope	X	X (b and c only)
Approved Commercial Delivery Service (e.g., DHL, FedEx, UPS): (a) request return receipt, (b) verify recipient name and mailing address, (c) place in a sealed envelope, and (d) the		

[2] Livelink is a secure collaborative repository for the documents of a project.

exterior of a mailing document shall not indicate the security category of the material contained therein	X	X
Use of USPS Certified Mail: (a) request return receipt, (b) verify recipient name and mailing address, and (c) the exterior of a mailing document shall not indicate the security category of the material contained therein	X	X
Intra-agency Mail System (a) request return receipt (b) place in sealed envelope, (c) name of recipient, department, address and phone number must be written on face of envelope, and (d) the exterior of a mailing document shall not indicate the security category of the material contained therein	X	X (b, c, d only)
Telephone: restricted from using a non-land line telephone to transmit, unless expressly permitted by SIM in writing. If approved: (a) use all means to prevent unauthorized public disclosure, and (b) may not use mobile or internet devices.	X	
Fax Machine: restricted from using fax machine to transmit unless expressly permitted by the SIM in writing. If approved: (a) prior coordination with recipient required, (b) verify recipient fax number, (c) receipt of successful transmission, and (d) follow-up contact required	X	X (a,b,c only)

Steps for transmittal of a “hard copy” of all Confidential Privileged Information and, when required, for Confidential Information:

Step 1. Make certain that documents are properly marked: “CONFIDENTIAL PRIVILEGED,” or “CONFIDENTIAL,” according to its designated category.

Step 2. Prepare Transmittal Receipt (Appendix “F”).

Step 3. Place document in envelope with the Transmittal Receipt, seal envelope, mark the inner envelope CONFIDENTIAL PRIVILEGED or CONFIDENTIAL, place envelope in second envelope (outer), this envelope shall not contain any protective markings.

Step 4. Address envelope to an individual who is authorized to receive it.

Step 5. Mail document.

Step 6. The Transmittal Receipt shall be returned to the party who initially sent the item.

When hard copies of 8 1/2 ” X 11” multi-page documents include threat scenarios, asset criticality information, identification of security vulnerability details, risk assessments, design basis threats and concepts of operations are distributed, this information is to be bound using secure binding to prevent individual sheets from being removed from a set.

4.4 Storage of Protected Information

Steps should be taken to prevent unauthorized access to Protected Information. Certain Protected Information should be kept in a locked storage room or a locked security container, such as a drawer, cabinet or safe-type file that has a locking mechanism, and must be vandalism resistant. The DISO will periodically review the departmental storage vehicles and mechanisms and determine their appropriateness for the information being stored. Protected Information should be gathered and stored in a minimum number of office locations. Confidential Privileged Information must never be left unattended outside its storage location for long durations. A storage space or security container/receptacle may not be left open and unattended at any time. At no time should Confidential Privileged or Confidential Information be stored, except for short periods during work, in unauthorized desk drawers, file cabinets, or other unsecured locations. The CISO may require that certain information be kept in a safe in a designated central location(s).

Combinations or locks for each security container must be changed or replaced when a person having knowledge of the combination or possession of a lock key no longer requires it, leaves the project or there is reason to suspect that the combination has been tampered with, or that an unauthorized person may have acquired knowledge of the combination, or that a lock key is in the possession of an unauthorized person. Keys and combinations of locks utilized to secure certain Protected Information must be safeguarded at the same level of protection as paper documents. The "Guidelines for the Storage of Confidential Privileged, Confidential and Law Enforcement Confidential Information" attached as Appendix "H" provides further detailed information and instructions.

Confidential Privileged Information and, where appropriate Confidential Information, may not be stored at any individual's home overnight for a meeting the following day without prior written authorization of the SIM or DISO.

Downloading of any Confidential Privileged Information and Confidential Information carries with it the responsibility to protect that information in accordance with the procedures identified in this Handbook. The possessor of the electronic file assumes full responsibility for the proper handling, storage, transmittal and disposal of this Confidential Privileged and Confidential Information.

4.5 Document Accountability Log

All entities, Port Authority Departments and third-parties having Protected Information in their possession will have a system in place that will account for the material in such a manner that retrieval is easily accomplished for inspection. The accountability log with respect to Confidential Privileged and Confidential Information shall be maintained by the DISO, or the SPM, or SIM, where applicable, and include:

- The date that a document was received or created
- The identity of the sender or creator
- A brief description of the document
- The Control Number, if Confidential Privileged Information
- Number of copies

- Transmission history (sent to whom, when)
- If applicable at the time of the inspection, a Port Authority Document Destruction Certification, stating that the document has been destroyed (including, when, by whom and the method), or a Certification that the document has been returned to the Port Authority.

4.6 Reproduction

Protected Information should only be reproduced to the minimum extent necessary to carry out an individual or entity's responsibilities. However, the reproduced material must be marked and protected in the same manner and to the same extent as the original material. Authorized individuals must perform all reproduction work. Print and reproduction locations are limited to Port Authority sites, or, when appropriate, to authorized consultant and/or third-party contractor work site equipment. The CISO may require that the work site should limit reproduction of Protected Information to a particular copying machine with technological capabilities limited to copying (not scanning or storing etc.). Service providers, authorized by the responsible SIM or DISO where appropriate, may be used for this task if the information remains safeguarded throughout the process. Each reproduction of Protected Information shall contain all security markings, instructions, etc., as set forth in Section 4.1. All scraps, over-runs, and waste products resulting from reproduction shall be collected and processed for proper disposal.

4.7 Destruction of Protected Information

All Protected Information that is no longer needed shall be disposed of as soon as possible, consistent with the Port Authority's Record Retention Policy, by any method that prevents its unauthorized retrieval or reconstruction. Authorized service providers may be used for this task provided that the information remains safeguarded until the destruction is completed. Paper products must be destroyed using a cross cut shredder located in the office. As previously noted in Section 4.5, a Port Authority Document Destruction Certificate must be provided to the DISO or SIM for any document being destroyed, including original or copies thereof. In addition to the requirements in this Handbook, all Departments shall continue to comply with the Port Authority Records Program (A.P. 15-2.02). Where Protected Information is no longer needed, but the Port Authority Records Program requires retention of the original, the original Protected document shall be retained by the Departmental Records Coordinator and all copies are to be destroyed in accordance with this section. The "Guidelines for the Disposal and Destruction of Confidential Privileged Information" attached as Appendix "I" provides further detailed information and instruction.

Since deleted electronic files can be recoverable by utilizing software tools, certain Protected Information stored in electronic form needs to be erased and destroyed with methods that comply with the US Department of Defense standards for file secure erasure (DoD 5220.22). Therefore, CyberScrub or a similar software shall be used to prevent discovery by a computer technician or other unauthorized person. With respect to Port Authority staff, individual staff shall contact the Technology Services Department ("TSD") to make a request that Protected Information be permanently removed from a computer. This request shall be made by providing relevant information on a TSD Service Request (TSR), found on eNet on the TSDpage.

4.8 Information Technology Systems – Handling of Electronic Information/Data

All transmission, storage and destruction of all electronic information and data must be in compliance with the Technology Services Department's (TSD) "Cyber Security Guidelines for the Port Authority of New York and New Jersey"

Information Technology (IT) Systems that are used to electronically capture, create, store, process or distribute Protected Information must be appropriately managed to protect against unauthorized disclosure of the contents. The main objectives of these electronic handling guidelines are to:

- Provide access exclusively to the authorized individuals.
- Compartmentalize Protected Information as required by a Department's CIPP.
- Complete removal of Protected Information from the system when it is no longer needed.

This section is intended to describe the processes used to control secure electronic data, and is to be implemented for the control, processing, handling, storage, and destruction of all "Protected" electronic data as generated, received, or distributed by Authority staff, consultants, contractors or third parties.

4.9 Transmission/Exchange of Electronic Information

The Authority uses Livelink (moving toward PACS) as its project and program website solution to collaborate with team members (i.e., authorized individuals) both inside and outside the Agency's firewall. Additionally, the Authority also uses secure internet websites with secure transmission to collaborate with team members outside the Agency. The use of a web-based collaboration tool has numerous benefits that result s in time and cost savings, accountability, security, and disaster recovery. For example, within the Authority, the Downtown Restoration Program (DRP), the Security Capital Program, Office of Emergency Management, and the Goethals Bridge Program, utilize Livelink website collaboration.

Access to these password-protected websites is controlled by permissions that apply to each individual user account. In this manner, users are allowed to access folders and files only when approved by the SIM, Project Manager or Program Manager directly responsible for the information.

With these measures in place, the Authority has deemed that all electronic exchange of Protected Information must be accomplished using a secure project website solution with centrally managed access control on a per individual basis and with encrypted transfer.

Although the entire Port Authority Website is secure, in order to provide better organization and auditing of files that contain Confidential Privileged or Confidential Information, special secure folders must be created and maintained specifically to house this information. Information that has been designated as Confidential Privileged Information may only reside in these secure folders in order to further compartmentalize it from other types of information.

Additional secure Protected Information folders will allow other files such as reports, presentations, etc., to be stored.

In addition to the Livelink website, certain electronic Protected Information may also be shared via secure Local Area Networks (LAN). Protected Information should be removed from the LAN as soon as the recipient has acknowledged receipt of the information. As with the website, these LANs are password protected, and access to them is only for those individuals who have signed the NDA and are provided with permission by the SIM or DISO, if required.

E-mailing of Confidential Privileged Information is not permitted, E-mailing of any other Protected Information must be encrypted as per TSD standards.

4.10 Electronic Storage

Technology advances allow increasingly larger amounts of information to be stored on increasingly smaller devices. This creates a greater risk of information security breaches due to the size and portability of these devices, which can be lost or misplaced more easily when taken outside of the office. If a situation arises whereby electronic files must be exchanged by electronic media such as flash drives, CD or DVD, all provisions within this manual for handling physical documents must be satisfied.

Possession of Protected Information in any format (hardcopy, electronic, photo, video, etc.) carries with it the responsibility to protect that information in accordance with the requirements of the Handbook. Authorized individuals in possession of electronic files containing Protected Information assume full responsibility for the proper handling, storage, transmittal, and destruction of this type of information in the same or comparable manner as hard copy requirements.

Users who possess electronic files containing Protected Information shall adhere to the following guidelines to maintain the proper protection of this material:

Desktops/Laptops/CAD Machine Users

Individuals granted access to The Port Authority Network or information systems shall secure computers from unauthorized access.

- When leaving a computer unattended, users shall apply the “Lock Workstation” feature (ctrl/alt/delete, enter).
- Unattended computers shall be secured from viewing by password protected screen savers.
- Computers shall activate the automatic screensaver feature after a period of non-use. The period of non-use is fifteen (15) minutes, or a shorter time period if required by a DISO.
- Desktop computer users shall only store Confidential Privileged and Confidential Information on a secure password protected network drive (directory on The Port Authority Network) and not the computer’s local hard drive.
- Laptop computer users shall store Confidential Information locally, when necessary, with encryption software. Users shall contact their respective DISO to request or confirm that Port Authority standard encryption technology is installed on their assigned laptop computer.
- Computer users shall not disable or alter security safeguards, such as virus detection or encryption software, installed on Port Authority computers.

Portable Media

- Confidential Privileged Information shall be encrypted on portable devices, including handheld devices, if they are carried outside secure worksites.
- All Protected Information stored on portable devices shall be password protected at the document level.
- Mobile laptop computers, computer media and any other forms of removable storage (e.g., diskettes, CD ROMs, flash drives) shall be stored in a secure location or locked cabinet when not in use.

4.11 User Access Deactivations

In addition to accessing the IT Systems, Port Authority, through the appropriate Systems Administrator, may deactivate a User's IT privileges, whether or not the user is suspected of any violation of this Policy, when necessary to preserve the integrity of facilities, user services, or data.

CHAPTER 5 – AUDITING AND MONITORING

5.1 Purpose

The ISSC, Audit and/or OIG may conduct random or scheduled examinations of business practices under the Policy in order to assess the extent of compliance with the Policy. The Policy's self-assessment and audit processes enable management to evaluate the Policy's uniformity throughout the Port Authority and of third parties' practices, in order to identify its strengths and potential exposures, and to help guide evolving policy objectives.

5.2 Audits and Investigations

Audits conducted by the ISSC, Audit, and/or OIG may be scheduled in advance. The chief, department director, project manager, company liaison or contract representative of the organization being assessed should receive prior notice of the date of the assessment and also be advised as to what the assessment will consist of. A copy of the current version of the Audit Procedures guidelines, attached as Appendix "J", should be provided to the particular entity(ies) in order to allow adequate time to undertake appropriate pre-review and preparation action. The Audit Procedures guidelines should guide the ISSC and/or Audit through the assessment process. This Guideline is not all-inclusive and may be amended, as necessary. Organizations, departments, units, or third parties, preparing for an ISSC and/or Audit visit are encouraged to contact the CISO prior to the scheduled visit date in order to inquire and obtain additional information about the process.

The ISSC and/or Audit may also conduct information security assessments without prior notice and/or unannounced investigations coordinated through the Office of the General Counsel and the Office of Inspector General, as it may deem necessary and appropriate. Where appropriate, the CISO should be advised of the existence of such an investigation and, if appropriate, its nature.

The ISSC and/or Audit approach to conducting an assessment should consist of three phases (i) personnel interviews, (ii) site assistance visits, and (iii) corrective action follow-up.

(i) Personnel Interviews

The interview(s) should focus on the department, business unit, organization or third party's compliance with the Policy, how engaged the interviewee is with the Policy, and the level of education and awareness the interviewee has about the Policy. Employees, consultants, third-party contractors, and other individuals and/or entities should be included as potential interviewees. Personnel interviews should encompass a wide range of individuals who are regularly engaged with the Policy, as well as those having less involvement in it. This allows the ISSC to develop a balanced understanding regarding Policy compliance and effectiveness, as well as its impact on the organization and enable it both to identify concerns and issues regarding the Policy, and to solicit recommendations for possible improvements to the Policy.

(ii) Site Assistance Visits

The ISSC and/or Audit site visit should focus on a hands-on review of the following processes and procedures: document safeguards, handling protocols, transmission practices, control number usage, document marking, receipt and copying practices, and disposal of Protected Information procedures. The visit should also include compliance reviews of the security clearance access criteria, document accountability audits, conditions regarding information access, background check processes, Authorized Personnel Clearance Lists updates, Protected Information material sign out and sign in records, where appropriate, and the information security education awareness training program.

(iii) Follow-up

Policy compliance deficiencies noted during the assessments should be provided by the ISSC and/or Audit through the CISO to the department head, chief, project manager, consultant, third-party contractor liaison/representative, other agency staff, and the respective DISO or SIM for corrective action. The ISSC, through the CISO, may also follow-up on investigation results to determine corrective actions and Policy compliance. The ISSC may also recommend the imposition of any penalties or disciplinary action that are described in Chapter 6.

With the assistance of the respective DISO or SIM, a plan with milestones should be developed with the intention of correcting any identified deficiencies. A return site assistance visit may be scheduled in order to re-assess earlier identified deficiencies. The respective DISO, SPM, or SIM should forward a periodic corrective action progress report to the CISO as part of the milestone monitoring.

5.3 Self-Assessment

Department heads, chiefs, managers, supervisors, DISOs or SIMs should conduct an annual self-assessment of their unit's Policy compliance using the Audit Procedures Guidelines. The results will not be forwarded to the CISO, Audit or ISSC, but should be used as a tool to gauge compliance before regular assessments are conducted. The results should be available for inspection and any serious findings should be forwarded to the CISO.

CHAPTER 6 – POLICY VIOLATIONS AND CONSEQUENCES

6.1 Responsibilities

Anyone having knowledge of any infraction, violation or breach of the Policy is required to report it to the CISO, OIG, their DISO, and third party SIM, who shall in turn report the same to their supervisor/manager. The CISO shall have the final decision with respect to the violation determinations and/or the recommended course of action to be taken, consistent with Port Authority policy, practices and legal requirements referenced in this section.

All individuals who have been reported as having violated the Policy may be temporarily denied access to Protected Information and/or have their security clearance suspended until an investigation is completed.

6.2 Violations, Infractions, or Breach of Information Security Protocols

Due to any number of unintended circumstances or, other conditions beyond the control of an individual, Protected Information could be subject to compromise or loss. For example, an individual may unintentionally discard Protected Information, mislabel Protected Information, sent through the internal mail routing system, or drop or inadvertently leave Protected Information in a public place. Intentional disclosure of Protected Information to unauthorized individuals for personal gain, or to otherwise make available for unauthorized public release, may also occur. Violations, infractions and breaches of the Policy will be reviewed on a case-by-case basis to determine the facts and circumstances surrounding each incident.

6.3 Violation Reporting, Investigation and Fact Finding

Individuals must report alleged or suspected violations, infractions or breaches of the Policy to the DISO, CISO, OIG and to their supervisor or manager. The DISO, in consultation with the CISO and OIG, will determine whether an investigation into the allegations or other appropriate action is warranted. The CISO will consult with the OIG on these matters and the OIG will determine whether to undertake its own separate investigation into the matter. Individuals and/or entities must cooperate with all authorized investigations of any act, omission or occurrence relating to Port Authority property, information, materials, and, in the case of Port Authority employees, and if applicable, must comply with the Agency General Rules and Regulations. (See *"General Rules and Regulations for all Port Authority Employees."* Port Authority of New York and New Jersey. April 1990.)

6.4 Disciplinary Action

The following is a list of Policy violations and the possible respective disciplinary actions that may be taken against any individual and/or entity, having authorized access to Protected Information, who violates their responsibilities in handling such information:

a) Non-deliberate violations involving negligence and/or carelessness, such as leaving Protected Information unattended.

First Offense: Verbal reprimand and security briefing.

Second Offense: Written reprimand and/or a security briefing and possible suspension or termination of access privileges, depending on the circumstances.

Third Offense - Termination of access and possible imposition of civil penalties. Where the offense involves a Port Authority employee, disciplinary action may also be taken.

b) Non-deliberate violation involving negligence and/or carelessness such as misplacing or losing a document.

First Offense - Written reprimand and/or a security briefing, and possible suspension or termination of access privileges, depending on the circumstances, and possible imposition of a civil penalty. Where the offense involves a Port Authority employee, disciplinary action may also be taken.

Second Offense - Dismissal or termination of access privileges, and, depending on the circumstances, the imposition of a civil penalty, and possible legal action against the violator. Where the offense involves a Port Authority employee, disciplinary action may also be taken including suspension with forfeiture of up to one year's personal and vacation time allocation.

c) For cases of deliberate disregard of security procedures or gross negligence in handling Confidential Privileged and Confidential Information.

First Offense – Suspension or termination of access privileges, termination of an agreement or contract, written reprimand, imposition of a civil penalty depending on the circumstances, and possible legal civil and/or criminal action against the violator. Where the offense involves a Port Authority employee, disciplinary action may be taken up to and including termination of employment. Termination of access privileges will be for a period of one year at minimum and may be permanent, subject to review by the CISO.

The Port Authority may also impose investigation costs and/or a monitor to oversee future compliance with its security policies and practices at the violator's expense, when the violation is by a consultant, vendor contractor or other third party. Nothing herein is construed to limit the Port Authority's right to exercise or take other legal rights and remedies including terminating agreements with a third party violator and/or refusing to enter into future business relationships with the violator and/or seeking such legal action, as it may deem appropriate, including injunctive, civil actions for monetary damages and/or seeking criminal prosecution of the violator(s).

In addition, any violation relating to SSI or CII will be reported to the TSA, the OIG, and/or, if applicable, DOT, USCG or DHS. Penalties and other enforcement or corrective action may be taken as set forth in relevant statutes, rules and regulations, including, without limitation, the issuance of orders requiring retrieval of Sensitive Security Information and Critical Infrastructure Information to remedy unauthorized disclosure and directions to cease future unauthorized disclosure. Applicable Federal Regulations, including, without limitation, 49 C.F.R. § 15.17 and 1520.17 and 6 CFR Part 29, provide that any such violation thereof or mishandling of information therein defined may constitute grounds for a civil penalty and other enforcement or corrective action being taken by the DOT, TSA and/or DHS.

CHAPTER 7 – INFORMATION SECURITY EDUCATION AND AWARENESS TRAINING

7.1 Purpose

Information Security Education and Awareness training ensures that all personnel requiring access to Protected Information, regardless of position or grade level, have an appropriate understanding of the need to adhere to security procedures in order to secure Protected Information. The goal of the training program is basically to provide that all such employees, consultants, third-party contractors, other individuals, entities and/or, where appropriate, third parties develop essential security habits and thereby ensure that all personnel accessing Protected Information understand and carry out the proper handling protocols for those materials.

7.2 Overview

The CISO is responsible for implementing the Information Security Education and Awareness Training Program (the "Training Program"). The Training Program, with assistance from the Office of Inspector General, DISO and SIM, should be provided to all employees, consultants, third-party contractors, and other agency personnel requiring access to Protected Information. These individuals, regardless of rank or position in a particular organization, must complete initial indoctrination and refresher training. The CISO, with the concurrence of the Law Department, may waive this requirement for certain individuals. A current list containing the names of all persons who completed training will be developed and retained by the CISO. The CISO shall ensure that all employees have complied with the requisite Training Program.

7.3 Training Program Elements

The Training Program consists of three interconnected elements: (a) indoctrination training, (b) orientation training, and (c) refresher training, recommended every three years. Each element provides employees, consultants, third-party contractors, and other agency personnel with a baseline of knowledge, as well as periodic updates, about the existing and current Policy. Each element of the Training Program contributes another level of information to the individual. At a minimum, all individuals must receive the indoctrination training, and the refresher training, if warranted.

(a) Indoctrination Training

Indoctrination Training provides personnel with the fundamentals of the Training Program. It should be completed when beginning employment or assignment to a project for the Port Authority, but no later than sixty (60) days after initial hire, or after commencing work on a project. It may be combined with other types of new employee indoctrination programs. Individuals completing this level of training should understand the basic organization of the Policy, the Policy definitions, what materials are defined as Protected Information under the Policy, how to identify Protected Information (security category levels and markings), the general criteria and conditions required in order to be granted a security clearance, procedures for categorizing documents, the obligation to report suspected and alleged policy violations, and the penalties for non-compliance with the policy and for unauthorized disclosure of Protected Information.

(b) Orientation Training

Orientation Training focuses on the more specific protocols, practices and procedures for individuals whose roles and responsibilities involve reading, using, safeguarding, handling, and disposing of Protected Information. Individuals assigned such responsibilities should complete this level of training. Orientation training should be conducted prior to assignment to a department, project, task, or other special assignment, where the individual is expected to become involved with receiving and handling Protected Information. Individuals completing this level of training should be introduced to the DISO or SIM, understand the organizational elements of the Policy, know how to process Protected Information, know the different security categories under their control or within their assigned work environment, know how to identify proper safeguarding protocols, including hardware needs, and understand the differences between general access privileges and the need to know requirement for access to particular information. Individuals should also read and acknowledge their understanding of the requirements.

(c) Refresher Training

Within a three (3) year time period during the anniversary month of the individual's start date on a project, or initial access to Protected Information, all employees, consultants, third-party contractors, and other individuals and/or entities, who continue to have access to sensitive materials, should receive an information security education and awareness training refresher briefing to enhance their information security awareness. At a minimum, the refresher training should include indoctrination and orientation topic training, as well as key training on recent Policy changes or other appropriate information. Also, this milestone may be used to reaffirm the individual's need for a security clearance or to determine whether the individual requires a periodic update of their background check.

(d) Other Circumstances and Special Briefings

If a Port Authority employee, consultant, third-party contractor, or other individual and/or entity transfers to another department, is promoted within his or her department, or changes employers on the same project without a break in service, and can provide a record of completion of indoctrination training within the previous twelve months, only annual refresher training may be required. All other situations demand that an individual requiring access to Protected Information fulfill the conditions for information security education and awareness training under this Policy.

In addition to reading and signing a NDA or an Acknowledgment of an existing NDA, or, alternatively, being subject to a NDI, temporary or one-time access individuals should be fully briefed on the limitations on access to Protected Information and the penalties associated with the unauthorized disclosure, before being granted access to such information.

Special briefings may be provided on a case-by-case basis, as circumstances may require.

APPENDIX A
PROTECTED INFORMATION

Confidential Privileged Information

- Information that reveals security risks, threats, vulnerabilities, built –in or potential to Port Authority facilities and/or assets
- Documentation that identifies specific physical or system security vulnerabilities, when referring to specific security or terrorist threats and/or the specific capabilities in-place to counter a threat
- Documentation revealing specific security vulnerabilities at a new or existing PANYNJ facility, if specific weaknesses are reflected or maximum tolerances are provided
- Information revealing details of defeating a security system(s) or revealing the system in its entirety
- Drawings or documents that reveal specific security design criteria or ratings with regard to security performance
- Information identifying the basis for implementing an operational or technical security solution
- Details related to emergency response protocols, egress plans, flow paths, egress capacities, security systems, etc., not publicly available (diagrams, codes, standards)

Information includes, but is not limited to:

1. Security Risk and Threat Assessments (SRA);
2. Design Basis Threat Analysis (DBT);
3. Facility Security Programs/Plans (to the extent such Programs/Plans are not designated as SSI or CII);
4. Continuity of Operations Plans;
5. Security White Papers;
6. Blast Protection Design Requirements; Blast Analysis; Vector Analysis (Security Barriers, Bollards, etc.);
7. Structural plans, details and specifications if site specific information involves details regarding the capability or vulnerability of security system(s) or additional protection to a critical structure(s);
8. Drawings and/or documents with specific forced entry ratings;
9. Security System(s) designs when high technology data, which was developed by or for the Port Authority, is site specific or concerns core area system;
10. Critical element of security or life safety system; such as master controls, overrides, backup power sources when such elements would not be readily observable by the public;
11. Security system(s) command and control operating instructions and supporting countermeasures when referring to a specific site or project location;
12. Design data revealing engineering, construction of a Communication or Data Center electrical system, network connections, or facility support system with signal cable (e.g., intercom, telephone);

Confidential Information

- Specific security system/hardware model number installed at specific locations
- Details concerning overall security system(s) or individual sub systems(s), including design engineering, construction, fabrication and rollout schedule when data is site specific or concerns core area systems
- Structural plans and details if site-specific information involves details of security system(s) of protection
- Design data revealing engineering, construction, or fabrication details of primary and emergency electrical power systems supporting security, communications or life safety systems
- Documents identifying protective measures around Operations & Control Centers
- Documents identifying the location of Police and Emergency Communication Lines
- Security budget information
- Security Capital Plan
- Security personnel information

Information includes, but is not limited to:

1. Methods utilized to mitigate vulnerabilities and threats, such as identity, location, design, construction, schedule, and fabrication of security systems;
2. Details concerning overall security system(s) or individual subsystem(s), including design, engineering, construction, fabrication and rollout schedule when data is site specific or concerns core area systems;
3. Concept of Operations (CONOPS) documents;
4. Structural plans and details if site-specific information involves details of security system(s) or protection;
5. Documents identifying protective measures around Operation Control and Data Centers;
6. Documents identifying the location of Police, Emergency Communication and Network Lines;
7. Security White Papers
8. Secure Identification Display Area (SIDA) Badge Application (Aviation)
9. Selected Environmental Documents – Condition Surveys containing information on contaminated sites;
10. Emergency Operations Plan (to be shared with other Agencies);
11. Guidance for Managing Multi-Agency Response to WMD/CBREN Incidents;
12. Security system logs and reports, system operators and users including all related personal and company data;
13. System information used to construct and protect security systems;
14. Information/documents complied for law enforcement or official investigatory purposes;
15. Sensitive financial, commercial and other business information received from third parties under Non-Disclosure and Confidentiality Agreements:
16. Security Project Management budget Information;
17. Security Project Management Capital Plan;
18. Property Lease Agreements (Negotiations);
19. Legal Settlement agreements (when specified in the final settlement agreement);
20. Financial Analysis relating to ongoing litigation;
21. 5-year Capital Security Plan.
22. Law Enforcement investigatory material based upon the sensitive or confidential nature of the information

Health Insurance Portability and Accountability Act (HIPAA)

Employees, associates or other contract personnel who have access to Protected Health Information (PHI) must also refer to, and comply with, the Privacy Policies and Procedures to Protect Personal Health Information. Privacy regulations issued under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA" or "Privacy Laws") place restrictions on the Group Health Plans of the Port Authority and PATH (the "Plans") ability to use and disclose Protected Health Information ("PHI").

To protect the privacy and confidentiality of PHI and to comply with HIPAA, all members of Employee Benefits, including the Customer Service Representatives, and any others who have access to PHI, must comply with the policies and procedures set forth in this manual (the "Policies and Procedures"). The purpose of this manual is to establish how the Privacy Laws are to be implemented by the Plans and Employee Benefits in particular. This document maintained by the Employee Benefits Division of HRD, addresses Privacy Law Concerns related to the Health Insurance Portability and Accountability Act (HIPAA).

HIPAA defines **Protected Health Information (PHI)** as all individually identifiable health information that is transmitted or maintained by the benefit plans in any medium – electronic, oral or written. The Port Authority receives this information in its employer capacity and, therefore, it is not considered to be PHI:

- An individual's name, address, birth date, marital status, dependent information and Social Security number;
- An individual's choice of health plan;

Attorney Work Product

Attorney work product and other privileged information should be protected and treated in accordance with the established rules of the profession and may carry the marking "Privileged & Confidential". Certain work product information may also fall within the definitions of Confidential Privileged and/or Confidential Information as established by the Handbook, and as such, should be marked and treated in accordance with the Handbook and the Law Department CIPP.

Federal Designations:

Security Sensitive Information (SSI): has the definition and requirements set forth in the Transportation Security Administrative Rules & Regulations, 49 CFR 1520, (49 U.S.C. §114) and in the Office of the Secretary of Transportation Rules & Regulations, 49 CFR 15, (49 U.S.C. §40119) and any amendments thereto.

1. Facility Security Programs/Plans (Aviation and Port Facilities fall under SSI);
2. Exclusive Area Agreements (Aviation and Ports – An agreement between PA and tenant that has a security program, which permits the tenant to assume responsibility for security within the affected area(s). SSI);
3. TAS Security Directives (SSI);
4. SEA LINK Database and corresponding applications (Ports - SSI/Privacy Act Information).
5. Security Directives issued by the TSA

Critical Infrastructure Information (CII); has the meaning set forth in the Homeland Security Act of 2002, under the subtitle Critical Infrastructure Information Act of 2002 (6 U.S.C. §131-134), and any rules or regulations enacted pursuant thereto, including, without limitation, the Office of the Secretary, Department of Homeland Security Rules and Regulations, 6 C.F.R. Part 29 and any amendments thereto. CII may also be referred to as "Protected Critical Infrastructure Information" or "PCII," as provided for in the referenced rules and regulations and any amendments thereto.

PROTECTED INFORMATION (CONFIDENTIAL INFORMATION)	
Handbook Marking • **Confidential Privileged** • **Confidential** • **CII & SSI**	**Outside Handbook Marking Protocols** • **HIPAA** • **Litigation/Law** • **Law Enforcement Investigatory Material** • **Active Negotiations** • **RFP Proposals under evaluation**

APPENDIX B

Non-Disclosure and Confidentiality Agreements

B-1
Non-Disclosure and Confidentiality Agreement with reference to Handbook

NON-DISCLOSURE AND CONFIDENTIALITY AGREEMENT
BETWEEN

_____

AND

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

THIS NON-DISCLOSURE AND CONFIDENTIALITY AGREEMENT (this "**Agreement**") is made as of this _____ day of _____, _____, by and between **THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY** (the "**Port Authority**") a body corporate and politic created by Compact between the States of New York and New Jersey, with the consent of the Congress of the United States, and having an office and place of business at 225 Park Avenue South, New York, New York, 10003, and _____ having an office and place of business at _____ ("**Recipient**").

WHEREAS, the Port Authority desires, subject to the terms and conditions set forth below, to disclose to Recipient Protected Information (as defined below) in connection with _____ (collectively, the "Project(s)", or "Proposed Project(s)"); and

WHEREAS, the Recipient acknowledges that the Port Authority, in furtherance of its performance of essential and critical governmental functions relating to the Project, has existing and significant interests and obligations in establishing, maintaining and protecting the security and safety of the Project site and surrounding areas and related public welfare matters; and

WHEREAS, in furtherance of critical governmental interests regarding public welfare, safety and security at the Project site, the Port Authority has collected information and undertaken the development of certain plans and recommendations regarding the security, safety and protection of the Project site, including the physical construction and current and future operations; and

WHEREAS, the Port Authority and Recipient (collectively, the "**Parties**") acknowledge that in order for Recipient to undertake its duties and/or obligations with regard to its involvement in the Project, the Port Authority may provide Recipient or certain of its Related Parties (as defined below) certain information in the possession of the Port Authority, which may contain or include protected, confidential, privileged, classified, commercial, proprietary or sensitive information, documents and plans, relating to the Project or its occupants or other matters, the unauthorized disclosure of which could result in significant public safety, financial and other damage to the Port Authority, the Project, its occupants, and the surrounding communities; and

WHEREAS, Recipient recognizes and acknowledges that providing unauthorized access to, or disclosing such information to third parties in violation of the terms of this Agreement could compromise or undermine the existing or future guidelines, techniques and procedures implemented for the protection against terrorist acts or for law enforcement, investigation and

prosecutorial purposes, and accordingly could result in significant irreparable harm and injury; and

WHEREAS, in order to protect and preserve the privilege attaching to and the confidentiality of the aforementioned information as well as to limit access to such information to a strict need to know basis, the Port Authority requires, as a condition of its sharing or providing access to such protected, confidential, privileged, classified, commercial, proprietary or sensitive information, documents and plans, that the Recipient enter into this Agreement and that its Related Parties thereafter acknowledge and agree that they will be required to treat as strictly confidential and/or privileged any of such information so provided, as well as the work product and conclusions of any assessments and evaluations or any recommendations relating thereto, and to also fully comply with applicable federal rules and regulations with respect thereto; and

WHEREAS, as a condition to the provision of such information to Recipient and certain Related Parties, the Recipient has agreed to enter into this Agreement with respect to the handling and use of such information and to cause Related Parties to join in and be bound by the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the provision by Port Authority of Information for Project Purposes (as each such term is defined below) and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Recipient and each Related Party that receives such Information, the Recipient and each such Related Party agrees, as follows:

1. **Defined Terms**. In addition to the terms defined in the Recitals above, the following terms shall have the meanings set forth below:

(a) "**Authorized Disclosure**" means the disclosure of Protected Information strictly in accordance with the Confidentiality Control Procedures applicable thereto: (i) as to all Protected Information, only to a Related Party that has a need to know such Protected Information strictly for Project Purposes and that has agreed in writing to be bound by the terms of this Agreement by executing a form of Acknowledgment as set forth in Exhibit A or Exhibit B, as applicable; and (ii) as to Confidential Privileged Information, only to the extent expressly approved in writing and in advance by the Port Authority, and then only the particular Confidential Privileged Information that is required to accomplish an essential element of the Project.

(b) "**Information**" means, collectively, all information, documents, data, reports, notes, studies, projections, records, manuals, graphs, electronic files, computer generated data or information, drawings, charts, tables, diagrams, photographs, and other media or renderings containing or otherwise incorporating information that may be provided or made accessible at any time, whether in writing, orally, visually, photographically, electronically or in any other form or medium, including, without limitation, any and all copies, duplicates or extracts of the foregoing.

(c) "**Protected Information**" means and includes collectively, Confidential Information, Confidential Privileged Information, Sensitive Security Information (SSI), Critical Infrastructure Information (CII) or Health Insurance Portability and Accountability Act (HIPPA) Information and Information that is labeled, marked or otherwise identified by or on behalf of the Port Authority so as to reasonably connote that such information is confidential, privileged, sensitive or proprietary in nature. The term Protected Information shall also include all work product that contains or is derived from any of the foregoing, whether in whole or in part, regardless of whether prepared by the Recipient, the Port Authority or others, or when the Port Authority receives such information from others and agrees to treat such information as Protected. The following Information shall not constitute Protected Information for the purpose of this Agreement:

(i) Particular Information, other than Confidential Privileged Information, that is provided to the Recipient by a source other than the Port Authority, provided that such source is not subject to a confidentiality agreement, or similar obligation, or understanding with or for the benefit of the Port Authority, with respect to such Information and that the identity of such source is not itself part of such Protected Information.

(ii) Information that is or becomes generally available to the public other than as a result of a disclosure by the Recipient or a Related Party in violation of this Agreement.

(iii) Information that is known to or was in the possession of the Recipient or a Related Party on a non-confidential basis prior to the disclosure of such Information by the Port Authority.

(d) "**Confidential Information**" means and includes collectively, any and all Information, documents and materials entitled to protection as a public interest privilege under New York State law and as may be deemed to be afforded or entitled to the protection of any other privilege recognized under New York and/or New Jersey state laws or Federal laws. It also includes information that contains sensitive financial, commercial or other proprietary business information concerning or relating to the Port Authority, its projects, operations or facilities that would be exempt from release under the Port Authority Freedom of Information Code.

(e) "**Confidential Privileged Information**" means and includes collectively, (i) Information that reveals security risks, threats, vulnerabilities, documentation that identifies specific physical security vulnerabilities or revealing specific security vulnerabilities details related to emergency response protocols, egress plans, flow paths, egress capacities, (diagrams, codes, standards) etc., which is not publicly available." and any and all Information, documents and materials entitled to protection as a public interest privilege under New York State law and as may be deemed to be afforded or entitled to the protection of any other privilege recognized under New York and/or New Jersey state laws or Federal laws, and (ii) certain Critical Infrastructure Information.

(f) "**Confidentiality Control Procedures**" means procedures, safeguards and requirements for the identification, processing, protection, handling, care, tracking and storage of

Protected Information that are required under applicable federal or state law, the Port Authority Handbook, or by the terms of this Agreement.

(g) "**Critical Infrastructure Information**" (CII) has the meaning set forth in the Homeland Security Act of 2002, under the subtitle Critical Infrastructure Information Act of 2002 (6 U.S.C. §131-134), and any rules or regulations enacted pursuant thereto, including, without limitation, the Office of the Secretary, Department of Homeland Security Rules and Regulations, 6 C.F.R. Part 29 and any amendments thereto. CII may also be referred to as "Protected Critical Infrastructure Information" or "PCII", as provided for in the referenced rules and regulations and any amendments thereto.

(h) "**Sensitive Security Information**" (SSI) has the definition and requirements set forth in the Transportation Security Administrative Rules & Regulations, 49 CFR 1520, (49 U.S.C. §114) and in the Office of the Secretary of Transportation Rules & Regulations, 49 CFR 15, (49 U.S.C. §40119).

(i) "**Health Insurance Portability and Accountability Act**" (HIPAA) Information Employees, associates or other contract personnel who have access to Protected Health Information (PHI) must refer to, and comply with, the Privacy Policies and Procedures to Protect Personal Health Information. Privacy regulations issued under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA" or "Privacy Laws") place restrictions on the Group Health Plans of the Port Authority and PATH (the "Plans") ability to use and disclose Protected Health Information ("PHI").

(j) "**Port Authority Handbook**" means The Port Authority of New York and New Jersey. Information Security Handbook, as may be amended by the Port Authority, from time to time.

(k) **"Project Purposes**" means the use of Protected Information strictly and only for purposes related to Recipient's and its Related Parties' participation and involvement in the Project, and only for such period of time during which Recipient and its Related Parties are involved in Project related activities.

(l) "**Related Party**" and "**Related Parties**" means the directors, employees, officers, partners or members of the Recipient, as applicable, and the Recipient's outside consultants, attorneys, advisors, accountants, architects, engineers or subcontractors or sub-consultants (and their respective directors, employees, officers, partners or members) to whom any Protected Information is disclosed or made available.

2. **Use of Protected Information**. All Protected Information shall be used by the Recipient in accordance with the following requirements:

(a) All Protected Information shall be held in confidence and shall be processed, treated, disclosed and used by the Recipient and its Related Parties only for Project Purposes and in accordance with the Confidentiality Control Procedures established pursuant to Paragraph 2(c), below, including, without limitation, the Port Authority Handbook, receipt of which is acknowledged by Recipient and shall be acknowledged in writing by each Related Party by signing the Acknowledgment attached hereto as Exhibit A or Exhibit B, as applicable, and

applicable legal requirements. Protected Information may be disclosed, only if and to the extent that such disclosure is an Authorized Disclosure.

(b) Recipient and each Related Party acknowledges and agrees that (i) any violation by the Recipient or any of its Related Parties of the terms, conditions or restrictions of this Agreement relating to Protected Information may result in penalties and other enforcement or corrective action as set forth in such statutes and regulations, including, without limitation, the issuance of orders requiring retrieval of Sensitive Security Information and Critical Infrastructure Information to remedy unauthorized disclosure and to cease future unauthorized disclosure and (ii) pursuant to the aforementioned Federal Regulations, including, without limitation, 49 C.F.R. §§ 15.17 and 1520.17, any such violation thereof or mishandling of information therein defined may constitute grounds for a civil penalty and other enforcement or corrective action by the United States Department of Transportation and the United States Department of Homeland Security, and appropriate personnel actions for Federal employees.

(c) Recipient and each Related Party covenants to the Port Authority that it has established, promulgated and implemented Confidentiality Control Procedures for identification, handling, receipt, care, and storage of Protected Information to control and safeguard against any violation of the requirements of this Agreement and against any unauthorized access, disclosure, modification, loss or misuse of Protected Information. Recipient and each Related Party shall undertake reasonable steps consistent with such Confidentiality Control Procedures to assure that disclosure of Protected Information is compartmentalized, such that all Protected Information shall be disclosed only to those persons and entities authorized to receive such Information as an Authorized Disclosure under this Agreement and applicable Confidentiality Control Procedures. The Confidentiality Control Procedures shall, at a minimum, adhere to, and shall not be inconsistent with, the procedures and practices established in the Port Authority Handbook.

(d) The Port Authority reserves the right to audit Recipient's Confidentiality Control Procedures, and those of each Related Party, as applicable, to ensure that it is in compliance with the terms of this Agreement.

(e) The Port Authority may request in writing that the Recipient or any Related Parties apply different or more stringent controls on the handling, care, storage and disclosure of particular items of Protected Information as a precondition for its disclosure. The Port Authority may decline any request by the Recipient or any of its Related Parties to provide such item of Protected Information if the Recipient or any of the Related Parties do not agree in writing to apply such controls.

(f) Nothing in this Agreement shall require the Port Authority to tender or provide access to or possession of any Protected Information to the Recipient or its Related Parties, whether or not the requirements of this Agreement are otherwise satisfied. However, if such Protected Information is provided and accepted, the Recipient and its Related Parties shall abide by the terms, conditions and requirements of this Agreement.

(g) The Recipient and each Related Party agrees to be responsible for enforcing the provisions of this Agreement with respect to its Related Parties, in accordance with the Confidentiality Control Procedures. Except as required by law pursuant to written advice of

competent legal counsel, or with the Port Authority's prior written consent, neither the Recipient, nor any of the Related Parties shall disclose to any third party, person or entity: (i) any Protected Information under circumstances where the Recipient is not fully satisfied that the person or entity to whom such disclosure is about to be made shall act in accordance with the Confidentiality Control Procedures whether or not such person or entity has agreed in writing to be bound by the terms of this Agreement or any "Acknowledgement" of its terms or (ii) the fact that Protected Information has been made available to the Recipient or such Related Parties, or the content or import of such Protected Information. The Recipient is responsible for collecting and managing the Acknowledgments signed by Related Parties pursuant to this Agreement. Recipient shall, at the Port Authority's request, provide the Port Authority a list of all Related Parties who have signed an Acknowledgment, and copies of such Acknowledgments.

(h) As to all Protected Information provided by or on behalf of the Port Authority, nothing in this Agreement shall constitute or be construed as a waiver of any public interest privilege or other protections established under applicable state or federal law.

3. **Disclosures and Discovery Requests**. If a subpoena, discovery request, Court Order, Freedom of Information Request, or any other request or demand authorized by law seeking disclosure of the Protected Information is received by the Recipient or any Related Party, Recipient shall notify the Port Authority thereof, to the extent permitted by law, with sufficient promptness so as to enable the Port Authority to investigate the circumstances, prepare any appropriate documentation and seek to quash the subpoena, to seek a protective order, or to take such other action regarding the request as it deems appropriate. In the absence of a protective order, disclosure shall be made, in consultation with the Port Authority, of only that part of the Protected Information as is legally required to be disclosed. If at any time Protected Information is disclosed in violation of this Agreement, the Recipient shall immediately give the Port Authority written notice of that fact and a detailed account of the circumstances regarding such disclosure to the Port Authority.

4. **Retention Limitations; Return of Protected Information**. Upon the earlier occurrence of either the Port Authority's written request or completion of Recipient's need for any or all Protected Information, such Protected Information, all writings and material describing, analyzing or containing any part of such Protected Information, including any and all portions of Protected Information that may be stored, depicted or contained in electronic or other media and all copies of the foregoing shall be promptly delivered to the Port Authority at Recipient's expense. In addition, as to Protected Information that may be stored in electronic or similar form, such Protected Information shall be deleted and completely removed so that such Protected Information is incapable of being recovered from all computer databases of the Recipient and all Related Parties. The Recipient may request in writing that the Port Authority consent to destruction of Protected Information, writings and materials in lieu of delivery thereof to the Port Authority. The Port Authority shall not unreasonably withhold its consent to such request. If the Port Authority consents to such destruction, the Recipient and each Related Party shall deliver to the Port Authority a written certification by Recipient and such Related Party that such Protected Information, writings and materials have been so destroyed within such period as may be imposed by the Port Authority. Notwithstanding the foregoing, to the extent required for legal or compliance purposes, the Recipient may retain copies of Protected Information (in any format), provided that (a) the Port Authority is notified in writing of such retention, and (b) Recipient

continues to abide by the requirements of this Agreement with respect to the protection of such Protected Information.

5. **Duration and Survival of Confidentiality Obligations**. The obligations under this Agreement shall be perpetual (unless otherwise provided in this Agreement) or until such time as the Protected Information is no longer considered protected, confidential and/or privileged by the Port Authority.

6. **Severability**. Each provision of this Agreement is severable and if a court should find any provision of this Agreement to be unenforceable, all other provisions of this Agreement shall remain in full force and effect.

7. **Injunctive and Other Relief**. Recipient and each Related Party acknowledges that the unauthorized disclosure and handling of Protected Information is likely to have a material adverse and detrimental impact on public safety and security and could significantly endanger the Port Authority, its facilities (including, without limitation, the Project site), its patrons and the general public and that damages at law are an inadequate remedy for any breach, or threatened breach, of this Agreement by Recipient or its Related Parties. The Port Authority shall be entitled, in addition to all other rights or remedies, to seek such restraining orders and injunctions as it may deem appropriate for any breach of this Agreement, without being required to show any actual damage or to post any bond or other security.

8. **Governing Law**. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to conflict of laws principles. The Port Authority (subject to the terms of the Port Authority Legislation (as defined below)) and the Recipient specifically and irrevocably consent to the exclusive jurisdiction of any federal or state court in the County of New York and State of New York with respect to all matters concerning this Agreement and its enforcement. The Port Authority (subject to the terms of the Port Authority Legislation (as defined below)) and the Recipient agree that the execution and performance of this Agreement shall have a New York situs and, accordingly, they each consent (and solely with respect to the Port Authority, subject to the terms of the Port Authority Legislation (as defined below)) to personal jurisdiction in the State of New York for all purposes and proceedings arising from this Agreement. "**Port Authority Legislation**" shall mean the concurrent legislation of the State of New York and State of New Jersey set forth at Chapter 301 of the Laws of New York of 1950, as amended by Chapter 938 of the Laws of New York of 1974 (McKinney's Unconsolidated Laws §§7101-7112) and Chapter 204 of the Laws of New Jersey of 1951 (N.J.S.A. 32:1-157 to 32:1-168).

9. **Notices**. Any notice, demand or other communication (each, a "**notice**") that is given or rendered pursuant to this Agreement by either party to the other party, shall be: (i) given or rendered, in writing, (ii) addressed to the other party at its required address(es) for notices delivered to it as set forth below, and (iii) delivered by either (x) hand delivery, or (y) nationally recognized courier service (e.g., Federal Express, Express Mail). Any such notice shall be deemed given or rendered, and effective for purposes of this Agreement, as of the date actually delivered to the other party at such address(es) (whether or not the same is then received by other party due to a change of address of which no notice was given, or any rejection or refusal to accept delivery). Notices from either party (to the other) may be given by its counsel.

The required address(es) of each party for notices delivered to it is (are) as set forth below. Each party, however, may, from time to time, designate an additional or substitute required address(es) for notices delivered to it, provided that such designation must be made by notice given in accordance with this Paragraph 9.

Original to the Port Authority:	The Port Authority of New York and New Jersey _____ _____
with a copy to:	The Port Authority of New York and New Jersey 225 Park Avenue South - 14th Floor New York, NY 10003 Attn: General Counsel's Office c/o Caroline Ioannou, Law DISO
If to the Recipient:	_____ _____ _____
with a copy to:	_____ _____ _____

10. **Entire Agreement**. This Agreement contains the complete statement of all the agreements among the parties hereto with respect to the subject matter thereof, and all prior agreements among the parties hereto respecting the subject matter hereof, whether written or oral, are merged herein and shall be of no further force or effect. This Agreement may not be changed, modified, discharged, or terminated, except by an instrument in writing signed by all of the parties hereto.

11. **Counterparts**. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which shall be one and the same document.

12. **Parties Bound**. This Agreement shall be binding upon the Recipient and its respective successors. The foregoing shall not be affected by the failure of any Related Party to join in this Agreement or to execute and deliver an Acknowledgement hereof.

13. **Authority**. The undersigned individual(s) executing this Agreement on behalf of the Recipient below represent(s) that they are authorized to execute this Agreement on behalf of the Recipient and to legally bind such party.

14. **Disclosure of Ownership Rights or License**. Nothing contained herein shall be construed as the granting or conferring by the Port Authority of any rights by ownership, license or otherwise in any Information.

15. **No Liability**. Neither the Commissioners of the Port Authority, nor any of them, nor any officer, agent or employee thereof, shall be charged personally by the Recipient with any

liability, or held liable to the Recipient under any term or provision of this Agreement, or because of its execution or attempted execution or because of any breach, or attempted or alleged breach thereof.

16. **Construction**. This Agreement is the joint product of the parties hereto and each provision of this Agreement has been subject to the mutual consultation, negotiation, and agreement of the parties hereto, and shall not be construed for or against any party hereto. The captions of the various sections in this Agreement are for convenience only and do not, and shall not be deemed to, define, limit or construe the contents of such Sections.

RECIPIENT:

Signature: _____

Print Name: _____

Title: _____

Date: _____

EXHIBIT A

ACKNOWLEDGMENT BY RELATED PARTY INDIVIDUAL

I, _____ ("**Related Party**"), am employed as a(n) _____ by _____. I have been provided with and have read the Non Disclosure and Confidentiality Agreement between _____ (the "**Recipient**") and The Port Authority of New York and New Jersey (the "**Port Authority**") dated _____ _____, _____ (hereinafter the "**Agreement**"), and the Port Authority Handbook attached to the Agreement. I understand that because of my employer's relationship with _____, both my employer and I may be provided with access to, and/or copies of, sensitive security materials, protected or confidential information. If it is required for me to review or receive Protected Information, as it is defined in the aforementioned Agreement, I acknowledge that I will be bound by each and every term and provision contained therein, and that failure to do so may include, but is not limited to, the imposition of disciplinary action and sanctions, and/or the institution of legal action seeking injunctive relief, monetary and/or criminal penalties for violation of law and/or Port Authority policies and procedures, as well as for violation of federal and/or state regulations.

To the extent that I am currently in the possession of, or have previously come into contact with, marked information as it relates to the aforementioned Agreement, I agree to conform my handling procedures for Protected Information to the practices and procedures set forth and defined herein, or risk loss of access to said Information, removal from said Project and/or subjecting myself to the aforementioned disciplinary actions and/or civil and criminal penalties.

Signature: _____

Print Name: _____

Date: _____

EXHIBIT B

ACKNOWLEDGMENT BY RELATED PARTY ENTITY

The undersigned, _____, is the _____ of _____, a _____ ("**Related Party**"), located at _____, and is duly authorized to execute this Acknowledgment on behalf of the above Related Party. The above Related Party is involved with the functions of _____ in connection with _____ for The Port Authority of New York and New Jersey (the "**Port Authority**"). I acknowledge and confirm that the above named Related Party has been provided with a copy of and shall be bound and shall abide by all of the terms, requirements and conditions set forth in the Non Disclosure and Confidentiality Agreement dated _____ _____, _____, between _____ (the "**Recipient**") and the Port Authority (hereinafter the "**Agreement**"), and by the Port Authority Handbook described in the Agreement. Appropriate and responsible officers and employees of the Related Party have carefully read and understand the terms and conditions of the Agreement. The Related Party has notice and acknowledges that any breach or violation of such terms, requirements and conditions may result in the imposition of remedies or sanctions as set forth or otherwise described therein against such Related Party.

Signature: _____

Print Name: _____

Date: _____

B-2
Non-Disclosure and Confidentiality Agreement without reference to Handbook

NON-DISCLOSURE AND CONFIDENTIALITY AGREEMENT
BETWEEN

_____

AND

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

THIS NON-DISCLOSURE AND CONFIDENTIALITY AGREEMENT (this "**Agreement**") is made as of this ____ day of _____, _____, by and between **THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY** (the "**Port Authority**") a body corporate and politic created by Compact between the States of New York and New Jersey, with the consent of the Congress of the United States, and having an office and place of business at 225 Park Avenue South, New York, New York, 10003, and _____ having an office and place of business at _____ ("**Recipient**").

WHEREAS, the Port Authority desires, subject to the terms and conditions set forth below, to disclose to Recipient Protected Information (as defined below) in connection with _____ (collectively, the "Project(s)", or "Proposed Project(s)"); and

WHEREAS, the Recipient acknowledges that the Port Authority, in furtherance of its performance of essential and critical governmental functions relating to the Project, has existing and significant interests and obligations in establishing, maintaining and protecting the security and safety of the Project site and surrounding areas and related public welfare matters; and

WHEREAS, in furtherance of critical governmental interests regarding public welfare, safety and security at the Project site, the Port Authority has collected information and undertaken the development of certain plans and recommendations regarding the security, safety and protection of the Project site, including the physical construction and current and future operations; and

WHEREAS, the Port Authority and Recipient (collectively, the "**Parties**") acknowledge that in order for Recipient to undertake its duties and/or obligations with regard to its involvement in the Project, the Port Authority may provide Recipient or certain of its Related Parties (as defined below) certain information in the possession of the Port Authority, which may contain or include protected, confidential, privileged, classified, commercial, proprietary or sensitive information, documents and plans, relating to the Project or its occupants or other matters, the unauthorized disclosure of which could result in significant public safety, financial and other damage to the Port Authority, the Project, its occupants, and the surrounding communities; and

WHEREAS, Recipient recognizes and acknowledges that providing unauthorized access to, or disclosing such information to third parties in violation of the terms of this Agreement

could compromise or undermine the existing or future guidelines, techniques and procedures implemented for the protection against terrorist acts or for law enforcement, investigation and prosecutorial purposes, and accordingly could result in significant irreparable harm and injury; and

WHEREAS, in order to protect and preserve the privilege attaching to and the confidentiality of the aforementioned information as well as to limit access to such information to a strict need to know basis, the Port Authority requires, as a condition of its sharing or providing access to such protected, confidential, privileged, classified, commercial, proprietary or sensitive information, documents and plans, that the Recipient enter into this Agreement and that its Related Parties thereafter acknowledge and agree that they will be required to treat as strictly confidential and/or privileged any of such information so provided, as well as the work product and conclusions of any assessments and evaluations or any recommendations relating thereto, and to also fully comply with applicable federal rules and regulations with respect thereto; and

WHEREAS, as a condition to the provision of such information to Recipient and certain Related Parties, the Recipient has agreed to enter into this Agreement with respect to the handling and use of such information and to cause Related Parties to join in and be bound by the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the provision by Port Authority of Information for Project Purposes (as each such term is defined below) and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Recipient and each Related Party that receives such Information, the Recipient and each such Related Party agrees, as follows:

1. **Defined Terms**. In addition to the terms defined in the Recitals above, the following terms shall have the meanings set forth below:

(a) "**Authorized Disclosure**" means the disclosure of Protected Information strictly in accordance with the Confidentiality Control Procedures applicable thereto: (i) as to all Protected Information, only to a Related Party that has a need to know such Protected Information strictly for Project Purposes and that has agreed in writing to be bound by the terms of this Agreement by executing a form of Acknowledgment as set forth in Exhibit A or Exhibit B, as applicable; and (ii) as to Confidential Privileged Information, only to the extent expressly approved in writing and in advance by the Port Authority, and then only the particular Confidential Privileged Information that is required to accomplish an essential element of the Project.

(b) "**Information**" means, collectively, all information, documents, data, reports, notes, studies, projections, records, manuals, graphs, electronic files, computer generated data or information, drawings, charts, tables, diagrams, photographs, and other media or renderings containing or otherwise incorporating information that may be provided or made accessible at any time, whether in writing, orally, visually, photographically, electronically or in any other form or medium, including, without limitation, any and all copies, duplicates or extracts of the foregoing.

(c) "**Protected Information**" means and includes collectively, Confidential Information, Confidential Privileged Information, Sensitive Security Information (SSI), Critical Infrastructure Information (CII) or Health Insurance Portability and Accountability Act (HIPPA) Information and Information that is labeled, marked or otherwise identified by or on behalf of the Port Authority so as to reasonably connote that such information is confidential, privileged, sensitive or proprietary in nature. The term Protected Information shall also include all work product that contains or is derived from any of the foregoing, whether in whole or in part, regardless of whether prepared by the Recipient, the Port Authority or others, or when the Port Authority receives such information from others and agrees to treat such information as Protected. The following Information shall not constitute Protected Information for the purpose of this Agreement:

(i) Particular Information, other than Confidential Privileged Information, that is provided to the Recipient by a source other than the Port Authority, provided that such source is not subject to a confidentiality agreement, or similar obligation, or understanding with or for the benefit of the Port Authority, with respect to such Information and that the identity of such source is not itself part of such Protected Information.

(ii) Information that is or becomes generally available to the public other than as a result of a disclosure by the Recipient or a Related Party in violation of this Agreement.

(iii) Information that is known to or was in the possession of the Recipient or a Related Party on a non-confidential basis prior to the disclosure of such Information by the Port Authority.

(d) "**Confidential Information**" means and includes collectively, any and all Information, documents and materials entitled to protection as a public interest privilege under New York State law and as may be deemed to be afforded or entitled to the protection of any other privilege recognized under New York and/or New Jersey state laws or Federal laws. It also includes information that contains sensitive financial, commercial or other proprietary business information concerning or relating to the Port Authority, its projects, operations or facilities that would be exempt from release under the Port Authority Freedom of Information Code.

(e) "**Confidential Privileged Information**" means and includes collectively, (i) Information that reveals security risks, threats, vulnerabilities, documentation that identifies specific physical security vulnerabilities or revealing specific security vulnerabilities details related to emergency response protocols, egress plans, flow paths, egress capacities, (diagrams, codes, standards) etc., which is not publicly available." and any and all Information, documents and materials entitled to protection as a public interest privilege under New York State law and as may be deemed to be afforded or entitled to the protection of any other privilege recognized under New York and/or New Jersey state laws or Federal laws, and (ii) certain Critical Infrastructure Information.

(f) "**Confidentiality Control Procedures**" means procedures, safeguards and requirements for the identification, processing, protection, handling, care, tracking and storage of Protected Information that are required under applicable federal or state law or by the terms of this Agreement.

(g) **"Critical Infrastructure Information"** (CII) has the meaning set forth in the Homeland Security Act of 2002, under the subtitle Critical Infrastructure Information Act of 2002 (6 U.S.C. §131-134), and any rules or regulations enacted pursuant thereto, including, without limitation, the Office of the Secretary, Department of Homeland Security Rules and Regulations, 6 C.F.R. Part 29 and any amendments thereto. CII may also be referred to as "Protected Critical Infrastructure Information" or "PCII", as provided for in the referenced rules and regulations and any amendments thereto.

(h) **"Sensitive Security Information"** (SSI) has the definition and requirements set forth in the Transportation Security Administrative Rules & Regulations, 49 CFR 1520, (49 U.S.C. §114) and in the Office of the Secretary of Transportation Rules & Regulations, 49 CFR 15, (49 U.S.C. §40119).

(i) "**Health Insurance Portability and Accountability Act**" (HIPAA) Information Employees, associates or other contract personnel who have access to Protected Health Information (PHI) must refer to, and comply with, the Privacy Policies and Procedures to Protect Personal Health Information. Privacy regulations issued under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA" or "Privacy Laws") place restrictions on the Group Health Plans of the Port Authority and PATH (the "Plans") ability to use and disclose Protected Health Information ("PHI").

(j) **"Project Purposes"** means the use of Protected Information strictly and only for purposes related to Recipient's and its Related Parties' participation and involvement in the Project, and only for such period of time during which Recipient and its Related Parties are involved in Project related activities.

(k) "**Related Party**" and "**Related Parties**" means the directors, employees, officers, partners or members of the Recipient, as applicable, and the Recipient's outside consultants, attorneys, advisors, accountants, architects, engineers or subcontractors or sub-consultants (and their respective directors, employees, officers, partners or members) to whom any Protected Information is disclosed or made available.

2. **Use of Protected Information**. All Protected Information shall be used by the Recipient in accordance with the following requirements:

(a) All Protected Information shall be held in confidence and shall be processed, treated, disclosed and used by the Recipient and its Related Parties only for Project Purposes and in accordance with the Confidentiality Control Procedures established pursuant to Paragraph 2(c), below, and applicable legal requirements. Protected Information may be disclosed, only if and to the extent that such disclosure is an Authorized Disclosure.

(b) Recipient and each Related Party acknowledges and agrees that (i) any violation by the Recipient or any of its Related Parties of the terms, conditions or restrictions of this Agreement relating to Protected Information may result in penalties and other enforcement or corrective action as set forth in such statutes and regulations, including, without limitation, the issuance of orders requiring retrieval of Sensitive Security Information and Critical Infrastructure Information to remedy unauthorized disclosure and to cease future unauthorized disclosure and (ii) pursuant to the aforementioned Federal Regulations, including, without limitation, 49 C.F.R. §§ 15.17 and 1520.17, any such violation thereof or mishandling of information therein defined

may constitute grounds for a civil penalty and other enforcement or corrective action by the United States Department of Transportation and the United States Department of Homeland Security, and appropriate personnel actions for Federal employees.

(c) Recipient and each Related Party covenants to the Port Authority that it has established, promulgated and implemented Confidentiality Control Procedures for identification, handling, receipt, care, and storage of Protected Information to control and safeguard against any violation of the requirements of this Agreement and against any unauthorized access, disclosure, modification, loss or misuse of Protected Information. Recipient and each Related Party shall undertake reasonable steps consistent with such Confidentiality Control Procedures to assure that disclosure of Protected Information is compartmentalized, such that all Protected Information shall be disclosed only to those persons and entities authorized to receive such Information as an Authorized Disclosure under this Agreement and applicable Confidentiality Control Procedures. To assist Recipient in its determination of the adequacy of its Confidentiality Control Procedures, Recipient has been provided with a copy of the Port Authority's Information Security Handbook.

(d) The Port Authority reserves the right to audit Recipient's Confidentiality Control Procedures, and those of each Related Party, as applicable, to ensure that it is in compliance with the terms of this Agreement.

(e) The Port Authority may request in writing that the Recipient or any Related Parties apply different or more stringent controls on the handling, care, storage and disclosure of particular items of Protected Information as a precondition for its disclosure. The Port Authority may decline any request by the Recipient or any of its Related Parties to provide such item of Protected Information if the Recipient or any of the Related Parties do not agree in writing to apply such controls.

(f) Nothing in this Agreement shall require the Port Authority to tender or provide access to or possession of any Protected Information to the Recipient or its Related Parties, whether or not the requirements of this Agreement are otherwise satisfied. However, if such Protected Information is provided and accepted, the Recipient and its Related Parties shall abide by the terms, conditions and requirements of this Agreement.

(g) The Recipient and each Related Party agrees to be responsible for enforcing the provisions of this Agreement with respect to its Related Parties, in accordance with the Confidentiality Control Procedures. Except as required by law pursuant to written advice of competent legal counsel, or with the Port Authority's prior written consent, neither the Recipient, nor any of the Related Parties shall disclose to any third party, person or entity: (i) any Protected Information under circumstances where the Recipient is not fully satisfied that the person or entity to whom such disclosure is about to be made shall act in accordance with the Confidentiality Control Procedures whether or not such person or entity has agreed in writing to be bound by the terms of this Agreement or any "Acknowledgement" of its terms or (ii) the fact that Protected Information has been made available to the Recipient or such Related Parties, or the content or import of such Protected Information. The Recipient is responsible for collecting and managing the Acknowledgments signed by Related Parties pursuant to this Agreement. Recipient shall, at the Port Authority's request, provide the Port Authority a list of all Related Parties who have signed an Acknowledgment, and copies of such Acknowledgments.

(h) As to all Protected Information provided by or on behalf of the Port Authority, nothing in this Agreement shall constitute or be construed as a waiver of any public interest privilege or other protections established under applicable state or federal law.

3. **Disclosures and Discovery Requests**. If a subpoena, discovery request, Court Order, Freedom of Information Request, or any other request or demand authorized by law seeking disclosure of the Protected Information is received by the Recipient or any Related Party, Recipient shall notify the Port Authority thereof, to the extent permitted by law, with sufficient promptness so as to enable the Port Authority to investigate the circumstances, prepare any appropriate documentation and seek to quash the subpoena, to seek a protective order, or to take such other action regarding the request as it deems appropriate. In the absence of a protective order, disclosure shall be made, in consultation with the Port Authority, of only that part of the Protected Information as is legally required to be disclosed. If at any time Protected Information is disclosed in violation of this Agreement, the Recipient shall immediately give the Port Authority written notice of that fact and a detailed account of the circumstances regarding such disclosure to the Port Authority.

4. **Retention Limitations; Return of Protected Information**. Upon the earlier occurrence of either the Port Authority's written request or completion of Recipient's need for any or all Protected Information, such Protected Information, all writings and material describing, analyzing or containing any part of such Protected Information, including any and all portions of Protected Information that may be stored, depicted or contained in electronic or other media and all copies of the foregoing shall be promptly delivered to the Port Authority at Recipient's expense. In addition, as to Protected Information that may be stored in electronic or similar form, such Protected Information shall be deleted and completely removed so that such Protected Information is incapable of being recovered from all computer databases of the Recipient and all Related Parties. The Recipient may request in writing that the Port Authority consent to destruction of Protected Information, writings and materials in lieu of delivery thereof to the Port Authority. The Port Authority shall not unreasonably withhold its consent to such request. If the Port Authority consents to such destruction, the Recipient and each Related Party shall deliver to the Port Authority a written certification by Recipient and such Related Party that such Protected Information, writings and materials have been so destroyed within such period as may be imposed by the Port Authority. Notwithstanding the foregoing, to the extent required for legal or compliance purposes, the Recipient may retain copies of Protected Information (in any format), provided that (a) the Port Authority is notified in writing of such retention, and (b) Recipient continues to abide by the requirements of this Agreement with respect to the protection of such Protected Information.

5. **Duration and Survival of Confidentiality Obligations**. The obligations under this Agreement shall be perpetual (unless otherwise provided in this Agreement) or until such time as the Protected Information is no longer considered protected, confidential and/or privileged by the Port Authority.

6. **Severability**. Each provision of this Agreement is severable and if a court should find any provision of this Agreement to be unenforceable, all other provisions of this Agreement shall remain in full force and effect.

7. **Injunctive and Other Relief**. Recipient and each Related Party acknowledges that the unauthorized disclosure and handling of Protected Information is likely to have a material adverse and detrimental impact on public safety and security and could significantly endanger the Port Authority, its facilities (including, without limitation, the Project site), its patrons and the general public and that damages at law are an inadequate remedy for any breach, or threatened breach, of this Agreement by Recipient or its Related Parties. The Port Authority shall be entitled, in addition to all other rights or remedies, to seek such restraining orders and injunctions as it may deem appropriate for any breach of this Agreement, without being required to show any actual damage or to post any bond or other security.

8. **Governing Law**. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to conflict of laws principles. The Port Authority (subject to the terms of the Port Authority Legislation (as defined below)) and the Recipient specifically and irrevocably consent to the exclusive jurisdiction of any federal or state court in the County of New York and State of New York with respect to all matters concerning this Agreement and its enforcement. The Port Authority (subject to the terms of the Port Authority Legislation (as defined below)) and the Recipient agree that the execution and performance of this Agreement shall have a New York situs and, accordingly, they each consent (and solely with respect to the Port Authority, subject to the terms of the Port Authority Legislation (as defined below)) to personal jurisdiction in the State of New York for all purposes and proceedings arising from this Agreement. "**Port Authority Legislation**" shall mean the concurrent legislation of the State of New York and State of New Jersey set forth at Chapter 301 of the Laws of New York of 1950, as amended by Chapter 938 of the Laws of New York of 1974 (McKinney's Unconsolidated Laws §§7101-7112) and Chapter 204 of the Laws of New Jersey of 1951 (N.J.S.A. 32:1-157 to 32:1-168).

9. **Notices**. Any notice, demand or other communication (each, a "**notice**") that is given or rendered pursuant to this Agreement by either party to the other party, shall be: (i) given or rendered, in writing, (ii) addressed to the other party at its required address(es) for notices delivered to it as set forth below, and (iii) delivered by either (x) hand delivery, or (y) nationally recognized courier service (e.g., Federal Express, Express Mail). Any such notice shall be deemed given or rendered, and effective for purposes of this Agreement, as of the date actually delivered to the other party at such address(es) (whether or not the same is then received by other party due to a change of address of which no notice was given, or any rejection or refusal to accept delivery). Notices from either party (to the other) may be given by its counsel.

The required address(es) of each party for notices delivered to it is (are) as set forth below. Each party, however, may, from time to time, designate an additional or substitute required address(es) for notices delivered to it, provided that such designation must be made by notice given in accordance with this Paragraph 9.

Original to the Port Authority:

The Port Authority of New York and New Jersey

_____

with a copy to:

The Port Authority of New York and New Jersey
225 Park Avenue South - 14th Floor
New York, NY 10003
Attn: General Counsel's Office c/o Caroline Ioannou, Law DISO

If to the Recipient:

_____
_____
_____

with a copy to:

_____
_____
_____

10. **Entire Agreement**. This Agreement contains the complete statement of all the agreements among the parties hereto with respect to the subject matter thereof, and all prior agreements among the parties hereto respecting the subject matter hereof, whether written or oral, are merged herein and shall be of no further force or effect. This Agreement may not be changed, modified, discharged, or terminated, except by an instrument in writing signed by all of the parties hereto.

11. **Counterparts**. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which shall be one and the same document.

12. **Parties Bound**. This Agreement shall be binding upon the Recipient and its respective successors. The foregoing shall not be affected by the failure of any Related Party to join in this Agreement or to execute and deliver an Acknowledgement hereof.

13. **Authority**. The undersigned individual(s) executing this Agreement on behalf of the Recipient below represent(s) that they are authorized to execute this Agreement on behalf of the Recipient and to legally bind such party.

14. **Disclosure of Ownership Rights or License**. Nothing contained herein shall be construed as the granting or conferring by the Port Authority of any rights by ownership, license or otherwise in any Information.

15. **No Liability**. Neither the Commissioners of the Port Authority, nor any of them, nor any officer, agent or employee thereof, shall be charged personally by the Recipient with any liability, or held liable to the Recipient under any term or provision of this Agreement, or because of its execution or attempted execution or because of any breach, or attempted or alleged breach thereof.

16. **Construction**. This Agreement is the joint product of the parties hereto and each provision of this Agreement has been subject to the mutual consultation, negotiation, and agreement of the parties hereto, and shall not be construed for or against any party hereto. The captions of the various sections in this Agreement are for convenience only and do not, and shall not be deemed to, define, limit or construe the contents of such Sections.

RECIPIENT:

Signature: _____

Print Name: _____

Title: _____

Date: _____

EXHIBIT A

ACKNOWLEDGMENT BY RELATED PARTY INDIVIDUAL

I, _____ ("**Related Party**"), am employed as a(n) _____ by _____. I have been provided with and have read the Non Disclosure and Confidentiality Agreement between _____ (the "**Recipient**") and The Port Authority of New York and New Jersey (the "**Port Authority**") dated _____ ____, _____ (hereinafter the "**Agreement**".) I understand that because of my employer's relationship with _____, both my employer and I may be provided with access to, and/or copies of, sensitive security materials, protected or confidential information. If it is required for me to review or receive Protected Information, as it is defined in the aforementioned Agreement, I acknowledge that I will be bound by each and every term and provision contained therein, and that failure to do so may include, but is not limited to, the imposition of disciplinary action and sanctions, and/or the institution of legal action seeking injunctive relief, monetary and/or criminal penalties for violation of law and/or Port Authority policies and procedures, as well as for violation of federal and/or state regulations.

To the extent that I am currently in the possession of, or have previously come into contact with, marked information as it relates to the aforementioned Agreement, I agree to conform my handling procedures for Protected Information to the practices and procedures set forth and defined herein, or risk loss of access to said Information, removal from said Project and/or subjecting myself to the aforementioned disciplinary actions and/or civil and criminal penalties.

Signature: _____

Print Name: _____

Date: _____

EXHIBIT B

ACKNOWLEDGMENT BY RELATED PARTY ENTITY

The undersigned, _____, is the _____ of _____, a _____ ("**Related Party**"), located at _____, and is duly authorized to execute this Acknowledgment on behalf of the above Related Party. The above Related Party is involved with the functions of _____ in connection with for The Port Authority of New York and New Jersey (the "**Port Authority**"). I acknowledge and confirm that the above named Related Party has been provided with a copy of and shall be bound and shall abide by all of the terms, requirements and conditions set forth in the Non Disclosure and Confidentiality Agreement dated _____ ____, _____, between _____ (the "**Recipient**") and the Port Authority (hereinafter the "**Agreement**"). Appropriate and responsible officers and employees of the Related Party have carefully read and understand the terms and conditions of the Agreement. The Related Party has notice and acknowledges that any breach or violation of such terms, requirements and conditions may result in the imposition of remedies or sanctions as set forth or otherwise described therein against such Related Party.

Signature: _____

Print Name: _____

Date: _____

B-3
PA/PATH Non-Disclosure and Confidentiality Agreement

PA EMPLOYEE NON-DISCLOSURE
AND CONFIDENTIALITY AGREEMENT

THIS NON-DISCLOSURE AND CONFIDENTIALITY AGREEMENT (this "**Agreement**") is made as of this _____ day of _____, _____, by and between **THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY,** a body corporate and politic created by Compact between the States of New York and New Jersey, with the consent of the Congress of the United States, and its related entities, including, but not limited to, Port Authority Trans-Hudson Corporation (collectively referred to as the "**Port Authority**") and having an office and place of business at 225 Park Avenue South, New York, New York, 10003, and _____, of _____ Department, an employee of the Port Authority ("**Employee**"), having the Port Authority Employee Number: _____.

WHEREAS, security is of critical importance to the Port Authority in carrying out its mission and in providing a safe and secure environment for its patrons and employees, as well as properly protecting its properties, facilities and operations; and

WHEREAS, the safeguarding of protected, confidential and sensitive information is an essential factor in the Port Authority's ability to carry out its responsibilities; and

WHEREAS, the Port Authority recognizes the need for providing its employees with access to certain information which may contain or include protected, confidential, privileged, classified, commercial, proprietary or sensitive information, documents and plans, on a need to know and/or an as-needed basis; and

WHEREAS, every employee having access to Protected Information (as hereinafter defined) has the obligation and the responsibility to properly safeguard such information and prevent its unauthorized disclosure or release.

NOW THEREFORE, Employee hereby agrees, as follows:

1. **Defined Terms.** In addition to the terms defined in the Recitals above, the following terms shall have the meanings set forth below:

    a. "**Protected Information**" means and includes collectively, Confidential Information, Confidential Privileged Information, Critical Infrastructure Information (CII), Sensitive Security Information (SSI), or Health Insurance Portability and Accountability Act (HIPPA) Information and Information that is labeled, marked or otherwise identified by or on behalf of the Port Authority so as to reasonably connote that such information is confidential, privileged, sensitive or proprietary in nature. The term Protected Information shall also include all work product that contains or is derived from any of the foregoing, whether in whole or in part, regardless of whether prepared by the Recipient, the Port Authority or others, or when the Port Authority receives such information from others and agrees to treat such information as Protected.

b. "**Confidential Information**" means and includes collectively, any and all Information, documents and materials entitled to protection as a public interest privilege under New York State law and as may be deemed to be afforded or entitled to the protection of any other privilege recognized under New York and/or New Jersey state laws or Federal laws. It also includes information that contains sensitive financial, commercial or other proprietary business information concerning or relating to the Port Authority, its projects, operations or facilities that would be exempt from release under the Port Authority Freedom of Information Code.

c. "**Confidential Privileged Information**" means and includes collectively, (i) Information that reveals security risks, threats, vulnerabilities, documentation that identifies specific physical security vulnerabilities or revealing specific security vulnerabilities details related to emergency response protocols, egress plans, flow paths, egress capacities, (diagrams, codes, standards) etc., which is not publicly available." and any and all Information, documents and materials entitled to protection as a public interest privilege under New York State law and as may be deemed to be afforded or entitled to the protection of any other privilege recognized under New York and/or New Jersey state laws or Federal laws, and (ii) certain Critical Infrastructure Information.

d. "**Information**" means, collectively, all information, documents, data, reports, notes, studies, projections, records, manuals, graphs, electronic files, computer generated data or information, drawings, charts, tables, diagrams, photographs, and other media or renderings containing or otherwise incorporating information that may be provided or made accessible at any time, whether in writing, orally, visually, photographically, electronically or in any other form or medium, including, without limitation, any and all copies, duplicates or extracts of the foregoing.

e. "**Critical Infrastructure Information**" (CII) has the meaning set forth in the Homeland Security Act of 2002, under the subtitle Critical Infrastructure Information Act of 2002 (6 U.S.C. §131-134), and any rules or regulations enacted pursuant thereto, including, without limitation, the Office of the Secretary, Department of Homeland Security Rules and Regulations, 6 C.F.R. Part 29 and any amendments thereto. CII may also be referred to as "Protected Critical Infrastructure Information" or "PCII", as provided for in the referenced rules and regulations.

f. "**Sensitive Security Information**" (SSI) has the definition and requirements set forth in the Transportation Security Administrative Rules & Regulations, 49 CFR 1520, (49 U.S.C. §114) and in the Office of the Secretary of Transportation Rules & Regulations, 49 CFR 15, (49 U.S.C. §40119).

g. "**Health Insurance Portability and Accountability Act**" (HIPAA) Information Employees, associates or other contract personnel who have access to Protected Health Information (PHI) must refer to, and comply with, the Privacy Policies and Procedures to Protect Personal Health Information. Privacy regulations issued under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA" or

"Privacy Laws") place restrictions on the Group Health Plans of the Port Authority and PATH (the "Plans") ability to use and disclose Protected Health Information ("PHI").

h. **"Port Authority Handbook"** means The Port Authority of New York and New Jersey Information Security Handbook, as may be amended by the Port Authority, from time to time.

2. **Compliance with the Port Authority Handbook.** All Protected Information is to be handled by the Employee with the utmost care and in a manner designed to prevent its disclosure to unauthorized third parties consistent with Port Authority security policy, practices and procedures, as set forth in the Port Authority Handbook. Employee must maintain and dispose of Protected Information in a manner consistent with this Agreement and in conformity with the Port Authority Handbook.

3. **Use of Protected Information.** Protected Information provided to or obtained by Employee may only be used in the performance of duly authorized activities relating to the Employee's job duties, and may not be used for any other purpose, unless expressly authorized by this Agreement, or as expressly directed in writing by the Port Authority.

4. **Disclosure of Information.** Until such time as the Information is no longer considered Protected by the Port Authority, and that fact is communicated to the Employee in writing, the Information must be held and treated in the strictest confidence and may not, except in accordance with Paragraph 5, below, be disclosed to any person who has not agreed to be bound by a Non-Disclosure and Confidentiality Agreement. When disclosure of such Information is permitted under these circumstances, it will only be provided to such individuals to the extent that it is necessary for that person to perform his/her duly authorized activities at or in connection with their job responsibilities and may only be provided on a need-to-know-basis. Copies of documents or materials in any form, format or medium, which contain disclosures of such Information, may only be made pursuant to the procedures established in the Port Authority Handbook.

5. **Disclosures and Discovery Requests.** If a subpoena, discovery request, Court Order, Freedom of Information Request, or any other request or demand authorized by law is received by the Employee seeking disclosure of Protected Information, the Employee must immediately notify his/her Supervisor and Departmental Information Security Officer in order to permit the Port Authority to seek to quash the subpoena, seek a protective order, or take such other action regarding the request as it deems appropriate, and the Employee will fully cooperate in the Port Authority's efforts in this regard. If at any time Protected Information is disclosed in violation of this Agreement, the employee will immediately report that fact and the circumstances regarding such disclosure to his/her Supervisor and Departmental Information Security Officer.

6. **Unauthorized Disclosure and Disciplinary Actions.** The unauthorized disclosure or improper handling of Protected Information could have an adverse and detrimental impact on public safety and security and could significantly endanger the Port Authority, its operations,

its facilities, its patrons and the general public. Because of this, the obligations of confidence required hereunder are extraordinary and unique, and are vital to the security and well being of the Port Authority. Any failure to comply with, or any violation of, this Agreement, may result in legal action and/or disciplinary action against Employee.

7. **Duration and Survival of Confidentiality Obligations.** The obligations under this Agreement shall be perpetual, or until such time as the Protected Information is no longer considered protected, confidential and/or privileged by the Port Authority, and that fact is communicated in writing to Employee.

EMPLOYEE:

Signature: _____

Print Name: _____

Date: _____

APPENDIX C

Background Screening Criteria

S.W.A.C.™
Secure Worker Access Consortium

CONTENTS:

- Background Screening Specifications
- High Access Level Criteria
- Medium Access Level Criteria
- Standard Access Level Criteria

Criminal History
Background Screening Specifications

Social Security Number — Positive Identity Verification (PIV)
Federal District Court Search (each district of residence and employment)*
National Criminal Search*
Statewide Criminal Check (each state of residence and employment)*
County Criminal Search (each county of residence and employment)*
Sexual Offender Search (each resident state)*
Alien Immigrant Search
Immigration Violation Check
Fake Identification Convictions
State Driving Record
Check for material false statement or omission on application form
National Terrorist Watch List Search (OFAC-SDN)

Note* Within ten (10), seven (7), or five (5) years preceding date of application as noted on the HIGH, MEDIUM, and STANDARD Level of Clearance forms.

Level of Clearance

HIGH Secure Access Control Areas
and CONFIDENTIAL PRIVILEGED INFORMATION

I. No convictions ever in your lifetime: an individual has a disqualifying criminal offense if the individual was convicted, or found not guilty by reason of insanity, in a civilian or military jurisdiction of any of the following criminal offenses:

(1) Terrorism—A crime listed in 18 U.S.C. Chapter 113B—or a State law that is comparable.
(2) Violations of the Racketeer Influenced and Corrupt Organizations Act, 18 U.S.C. 1961, et. seq., or a State law that is comparable.
(3) A crime involving a severe transportation security incident.
(4) Making any threat, or maliciously conveying false information knowing the same to be false, concerning the deliverance, placement, or detonation of an explosive or other lethal device in or against a place of public use, a state or government facility, a public transportations system, or an infrastructure facility.
(5) Improper transportation of a hazardous material under 49 U.S.C. 5124, or a state law that is comparable;
(6) Murder.
(7) Espionage.
(8) Sedition.
(9) Treason.
(10) Unlawful possession, use, sale, distribution, manufacture, purchase, receipt, transfer, shipping, transporting, import, export, storage of, or dealing in an explosive or explosive device.
(11) Conspiracy or attempt to commit any of the criminal acts listed in paragraph I.

II. An individual has a disqualifying criminal offense if the individual was convicted, or found not guilty by reason of insanity, in a civilian or military jurisdiction, within the **past ten (10) years** from completion of sentence preceding the date of the application, of the following offenses:

(1) Forgery of certificates, false marking of aircraft, and other aircraft registration violation;
(2) Interference with air navigation;
(3) Aircraft piracy;
(4) Interference with flight crewmembers or flight attendants;
(5) Commission of certain crimes aboard aircraft in flight;
(6) Carrying a weapon or explosive aboard aircraft;
(7) Conveying false information and threats; (e.g., bomb threats, explosives in briefcase, etc. in security areas)
(8) Aircraft piracy outside the special aircraft jurisdiction of the United States;
(9) Lighting violations involving transporting controlled substances;
(10) Unlawful entry into an aircraft or airport area that serves air carriers or foreign air carriers contrary to established security requirements;
(11) Destruction of an aircraft or aircraft facility;
(12) Assault with intent to murder.
(13) Kidnapping or hostage taking.
(14) Rape or aggravated sexual abuse.
(15) Extortion.
(16) Armed or felony unarmed robbery.

(17) Distribution of, possession with intent to distribute, or importation of a controlled substance.
(18) Felony arson.
(19) Felony involving a threat.
(20) Felony involving—
- (i) Willful destruction of property;
- (ii) Importation or manufacture of a controlled substance;
- (iii) Burglary or Robbery
- (iv) Theft;
- (v) Dishonesty, fraud, or misrepresentation, including identity fraud and money laundering;
- (vi) Possession or distribution of stolen property;
- (vii) Aggravated assault;
- (viii) Bribery; or
- (ix) Illegal possession of a controlled substance punishable by a maximum term of imprisonment of more than 1 year;
- (x) Smuggling;
- (xi) Immigration violations; or

(21) Violence at international airports;
(22) Unlawful possession, use, sale, manufacture, purchase, distribution, receipt, transfer, shipping, transporting, delivery, import, export of, or dealing in a firearm or other weapon. A firearm or other weapon includes, but is not limited to, firearms as defined in 18 U.S.C. 921(a)(3) or 26 U.S.C.5 845(a), or items contained on the U.S. Munitions Import List at 27 CFR 447.21.
(23) Conspiracy or attempt to commit any of the criminal acts listed in paragraph II.

Under want, warrant, or indictment. An applicant who is wanted, or under indictment in any civilian or military jurisdiction for a felony listed in section II, is disqualified until the want or warrant is released or the indictment is dismissed.

Level of Clearance

Up To MEDIUM Secure Access Control Areas and CONFIDENTIAL INFORMATION

I. No convictions ever in your lifetime: an individual has a disqualifying criminal offense if the individual was convicted, or found not guilty by reason of insanity, in a civilian or military jurisdiction of any of the following criminal offenses:

(1) Terrorism—A crime listed in 18 U.S.C. Chapter 113B—or a State law that is comparable.

(2) Violations of the Racketeer Influenced and Corrupt Organizations Act, 18 U.S.C. 1961, et. seq., or a State law that is comparable.

(3) A crime involving a severe transportation security incident.

(4) Making any threat, or maliciously conveying false information knowing the same to be false, concerning the deliverance, placement, or detonation of an explosive or other lethal device in or against a place of public use, a state or government facility, a public transportations system, or an infrastructure facility. (3) Improper transportation of a hazardous material under 49 U.S.C. 5124, or a state law that is comparable;

(5) Improper transportation of a hazardous material under 49 U.S.C. 5124, or a state law that is comparable;

(6) Murder.

(7) Espionage.

(8) Sedition.

(9) Treason.

(10) Unlawful possession, use, sale, distribution, manufacture, purchase, receipt, transfer, shipping, transporting, import, export, storage of, or dealing in an explosive or explosive device.

(11) Conspiracy or attempt to commit any of the criminal acts listed in paragraph I.

II. An individual has a disqualifying criminal offense if the individual was convicted, or found not guilty by reason of insanity, in a civilian or military jurisdiction for the following offenses, within the **past ten (10) years** from completion of sentence for the offense preceding the date of the application:

(1) Extortion.

(2) Armed or felony unarmed robbery.

(3) Felony involving—

(i) Importation or manufacture of a controlled substance;

(ii) Burglary or Robbery;

(iii) Theft;

(iv) Dishonesty, fraud, or misrepresentation, including identity fraud and money laundering;

(v) Possession or distribution of stolen property;

(vi) Bribery; or

(4) Conspiracy or attempt to commit any of the criminal acts listed in paragraph II.

Under want, warrant, or indictment. An applicant who is wanted, or under indictment in any

civilian or military jurisdiction for a felony listed in section II, is disqualified until the want or warrant is released or the indictment is dismissed.

III. An individual has a disqualifying criminal offense if the individual was convicted, or found not guilty by reason of insanity, in a civilian or military jurisdiction for the following offenses, within the **past seven (7) years** from completion of sentence for the offense preceding the date of the application:

(1) Assault with intent to murder.

(2) Kidnapping or hostage taking.

(3) Rape or aggravated sexual abuse.

(4) Distribution of, possession with intent to distribute, or importation of a controlled substance.

(5) Felony arson.

(6) Felony involving a threat.

(7) Felony involving—

(i) Willful destruction of property;

(ii) Aggravated assault;

(iii) Smuggling;

(iv) Immigration violations;

(8) Violations of the Racketeer Influenced and Corrupt Organizations Act, 18 U.S.C. 1961, et. seq., or a State law that is comparable, other than the violations listed in paragraph (b) of Section I.

(9) Unlawful possession, use, sale, manufacture, purchase, distribution, receipt, transfer, shipping, transporting, delivery, import, export of, or dealing in a firearm or other weapon. A firearm or other weapon includes, but is not limited to, firearms as defined in 18 U.S.C. 921(a)(3) or 26 U.S.C.5 845(a), or items contained on the U.S. Munitions Import List at 27 CFR 447.21.

(10) Conspiracy or attempt to commit any of the criminal acts listed in paragraph III.

Under want, warrant, or indictment. An applicant who is wanted, or under indictment in any civilian or military jurisdiction for a felony listed in section III, is disqualified until the want or warrant is released or the indictment is dismissed.

Level of Clearance

Up To STANDARD
Secure Access Control Areas

I. No convictions ever in your lifetime: an individual has a disqualifying criminal offense if the individual was convicted, or found not guilty by reason of insanity, in a civilian or military jurisdiction of any of the following criminal offences:

(1) Terrorism —A crime listed in 18 U.S.C. Chapter 113B—or a State law that is comparable.

(2) Violations of the Racketeer Influenced and Corrupt Organizations Act, 18 U.S.C. 1961, et. seq., or a State law that is comparable.

(3) Espionage.

(4) Sedition.

(5) Treason.

(6) Unlawful possession, use, sale, distribution, manufacture, purchase, receipt, transfer, shipping, transporting, import, export, storage of, or dealing in an explosive or explosive device.

(7) Conspiracy or attempt to commit any of the criminal acts listed in paragraph I.

II. An individual has a disqualifying criminal offense if the individual was convicted, or found not guilty by reason of insanity, in a civilian or military jurisdiction for the following offenses, within the **past ten (10) years** from completion of sentence for the offense preceding the date of the application:

(1) Extortion.

(2) Felony involving—

(i) Theft;
(ii) Dishonesty, fraud or misrepresentation, including identity fraud and money laundering;
(iii) Unlawful sale, distribution, manufacture, import or export of a controlled substance that resulted in the conviction of an A Felony in the New York State Penal Law, or any comparable law in any State, or comparable Federal law.

(3) Conspiracy or attempt to commit any of the criminal acts listed in paragraph II.

III. An individual has a disqualifying criminal offense if the individual was convicted, or found not guilty by reason of insanity, in a civilian or military jurisdiction for the following offenses, within the **past five (5) years** from completion of sentence for the offense preceding the date of the application:

(1) Violent Felony Offenses (as defined in the New York State Penal Law §70.02) or any comparable law in any State.

(2) Conspiracy or attempt to commit any criminal act listed in paragraph III.

APPENDIX D

Secure Worker Access Consortium (SWAC)

Secure Worker Access Consortium (SWAC is accessed by an online application that enables the secure collection, processing, maintenance and real-time positive identity verification (PIV) of individuals. As of January 29, 2007, SWAC is the only Port Authority approved provider to be used to conduct background screening, except as otherwise required by federal law and or regulation. Additional information about S.W.A.C., corporate enrollment, online applications, and location of processing centers can be found at http://www.secureworker.com, or SWAC Customer Service may be contacted at (212) 608-0855.

o Consultants / Contractors

- Step 1: - A firm representative completes the Corporate Membership Application Form online at www.secureworker.com. Firms are encouraged to establish a Corporate Membership Account through which their workers will be processed.
- Step 1a: Employees & Workers of Contractors — Individual completes the Individual Membership Application Form online. (A company administrator may complete this form on someone's behalf.)
- Step 2: The applicant is photographed, provides a digital signature and presents the required identification documents at an operational SWAC Processing Center.
- Step 3: SWAC ID Card is available for pickup. The typical length of the process is one week. To verify that an ID Card is ready for pickup, call (212) 608-0855.

o Individuals

- Step 1: Individual completes the Individual Membership Application Form online. http://www.secureworker.com
- Step 2: Individual immediately takes the required government issued identity documents to a SWAC Processing Center to complete the second and final step of the SWAC application process. **NOTE**: This step is required before your background screening is initiated.

- **SWAC Processing Centers -** check the SWAC website to verify the locations, and days and times of operation of the Processing Centers.

George Washington Bridge Port Authority Administration Building, Main Lobby
220 Bruce Reynolds Boulevard
Bridge Plaza South
Fort Lee, NJ 07024
Tuesdays, 6:00 AM to 12:00PM

John F. Kennedy International Airport
Building #14
RE's Office Conference Room
Jamaica, NY
Fridays, 6:00AM to 12:00PM

Port Authority Bus Terminal
625 Eighth Avenue (at 40th Street)
South Wing, 2nd Floor
New York, NY 10018
Tuesdays & Fridays, 6:30AM to 12:30PM

LaGuardia Airport (LGA)
Port Authority Administration Building
Hanger #7S, 2nd Floor
Flushing, NY 11371
Wednesdays, 6:00AM to 12:00PM

Newark Liberty International Airport (EWR)
70 Brewster Road
Building #70 Lobby
Newark, NJ 07114
Mondays & Thursdays, 7:30AM to 3:30PM

World Trade Center
65 Trinity Place
(corner of Exchange Alley, across from SYMS clothing store)
New York, NY 10006
Monday through Friday, 6:00 AM to 12:00 PM

APPENDIX E

[insert department name] DEPARTMENT

PORT AUTHORITY OF NY & NJ

CONFIDENTIAL PRIVILEGED INFORMATION

"WARNING": The attached is the property of The Port Authority of New York and New Jersey (PANYNJ). It contains information requiring protection against unauthorized disclosure. The information contained in the attached document cannot be released to the public or other personnel who do not have a valid need to know without prior written approval of an authorized PANYNJ official. The attached document must be controlled, stored, handled, transmitted, distributed and disposed of according to PANYNJ Information Security Policy. Further reproduction and/or distribution outside of the PANYNJ are prohibited without the express written approval of the PANYNJ.

At a minimum, the attached will be disseminated only on a need to know basis and when unattended, will be stored in a locked cabinet or area offering sufficient protection against theft, compromise, inadvertent access and unauthorized disclosure.

Document Control Number: CP-[insert dept acronym]- [insert year]-[insert sequential number] – [insert copy number]

APPENDIX F

[Insert address of Recipient]

Date:

From:

The [insert department, division or project name] is providing a copy of the following items to (insert recipient's name and address).

Description	Date	Copy Number
Describe item	00/00/00	CP-[dept abbreviation]-XX-XX-XX

Upon receipt, the items listed above must be safeguarded in accordance with the procedures identified in the "The Port Authority of New York & New Jersey Information Security Handbook " dated October 15, 2008.

PLEASE SIGN AND RETURN TO:

Document Control
[insert Port Authority department, division or unit]
Attn: [SIM or SPM}
[Address]

I acknowledge receipt of the above items listed above and accept full responsibility for the safe handling, storage and transmittal elsewhere of these items.

Name (PRINT): _____

Organization: _____

Signature: _____

Date: _____

Title: _____

APPENDIX G

GUIDELINES FOR THE STORAGE OF PROTECTED INFORMATION

I. GENERAL

This section describes the **preferred methods** for the physical protection of Protected Information in the custody of PANYNJ personnel and their contractors, consultants, architects, engineers, et al. Where these requirements are not appropriate for protecting specific types or forms of such material, compensatory provisions shall be developed and approved by the Chief Information Security Officer (CISO). Nothing in this guideline shall be construed to contradict or inhibit compliance with any applicable law, statute or code. Cognizant Security Information Managers (SIM) shall work to meet appropriate security needs according to the intent of this guideline and at acceptable cost.

II. PROTECTED INFORMATION STORAGE

A. Approved Containers

The following storage containers are approved for storage of PANYNJ Protected Information:

1. A safe or safe-type steel file container that has a built-in three- position dial combination lock or electronic combination lock.

2. Any steel file cabinet that has four sides and a top and bottom (all permanently attached by welding, rivets or peened bolts so the contents cannot be removed without leaving visible evidence of entry) and is secured by a rigid metal lock bar and an approved key operated or combination padlock. The keepers of the rigid metal lock bar shall be secured to the cabinet by welding, rivets, or bolts so they cannot be removed and replaced without leaving evidence of the entry. The drawers of the container shall be held securely so their contents cannot be removed without forcing open the drawer.

B. Approved Locks and Locking Devices

The following locks and locking devices are examples of types approved for storage of PANYNJ Protected Information, but not limited to these locks:

1. Any restricted keyway 7-pin tumbler lock or equivalent pick resistant lock.

2. A combination padlock such as a Sesame four-position dial padlock. See photo at right.

For Port Authority facilities, locks and locking devices available from Port Authority stock room or approved vendor will meet this requirement.

C. Combinations to Security Containers, Cabinets, and Vaults

If required, only a minimum number of authorized persons shall have knowledge of combinations to authorized storage containers. Containers shall bear no external markings indicating the level of material authorized for storage therein.

1. A record of the names of persons having knowledge of the combination shall be maintained.

2. Security containers, vaults, cabinets, and other authorized storage containers shall be kept locked when not under the direct supervision of an authorized person entrusted with the contents.

3. The combination shall be safeguarded in accordance with the same protection requirements as the Confidential Information contained within.

4. If a record is made of a combination, the record shall be marked with the category of material authorized for storage in the container, i.e. CP or SSI.

D. Changing Combinations

Combinations shall be changed by a person authorized access to the contents of the container, or by the SIM or his or her designee. Combinations shall be changed as follows:

1. The initial use of an approved container or lock for the protection of Confidential Information.

2. The termination of employment of any person having knowledge of the combination, or when the Protected Information access granted to any such person has been withdrawn, suspended, or revoked.

3. The compromise or suspected compromise of a container or its combination, or discovery of a container left unlocked and unattended.

4. At other times when considered necessary by the SIM or CISO.

E. Supervision of Keys and Padlocks

Use of key-operated padlocks are subject to the following requirements:

1. A key and lock custodian shall be appointed to ensure proper custody and handling of keys and locks used for protection of Protected Information.

2. A key and lock control register shall be maintained to identify keys for each lock and their current location and custody.

3. Keys shall be inventoried with each change of custody.

4. Keys and spare locks shall be protected equivalent to the level of classified material involved.

5. Locks shall be replaced after loss or compromise of their operable keys.

6. Making master keys is prohibited.

F. Document Retention Areas

Due to the volume of the Protected Information in possession, or for operational necessity, it may be necessary to construct Document Retention Areas for storage because approved containers or safes are unsuitable or impractical. Access to Document Retention Areas must be controlled to preclude unauthorized access. During hours of operation this may be accomplished through the use of a cleared person or by an approved access

control device or system. Access shall be limited to authorized persons who have an NDA on file, received appropriate training on the protection of information and have a bonafide need-to-know for the Protected Information material/information within the area. All other persons (i.e. visitors, maintenance, janitorial, etc.) requiring access shall be escorted at all times by an authorized person where inadvertent or unauthorized exposure to Protected Information cannot otherwise be effectively prevented. During non-working hours and during working hours when the area is unattended, admittance to the area shall be controlled by locked entrances and exits secured by either an approved built-in combination lock, an automated access control system or an approved key-operated lock. Doors secured from the inside with an emergency panic bar will not require additional locking devices.

G. Construction Requirements for Document Retention Areas

This paragraph specifies the minimum safeguards and standards required for the construction of Document Retention Areas that are approved for use for safeguarding Protected Information. These criteria and standards apply to all new construction and reconstruction, alterations, modifications, and repairs of existing areas. They will also be used for evaluating the adequacy of existing areas.

1. **Hardware:** Only heavy-gauge hardware shall be used in construction. Hardware accessible from outside the area shall be peened, pinned, brazed, or spot welded to preclude removal.

2. **Walls:** Construction may be of material offering resistance to, and evidence of, unauthorized entry into the area. If insert-type panels are used, a method shall be devised to prevent the removal of such panels without leaving visual evidence of tampering.

3. **Windows:** During nonworking hours, the windows shall be closed and securely fastened to preclude surreptitious entry.

4. **Doors:** Doors shall be constructed of material offering resistance to and detection of unauthorized entry. When doors are used in pairs, an astragal (overlapping molding) shall be installed where the doors meet.

5. **Ceilings:** Where surrounding walls do not extend to the true ceiling, the ceiling shall either be hard capped with the same construction materials as the surrounding walls or removable tiles shall be clipped in place such that they cannot be removed without destroying tiles and providing evidence of intrusion.

APPENDIX H

GUIDELINES FOR THE DISPOSAL AND DESTRUCTION OF PROTECTED INFORMATION.

I. GENERAL

This section describes the preferred methods for the disposal and destruction of Protected Information in the custody of PANYNJ personnel and their contractors, consultants, architects, engineers, et al. Where these requirements are not appropriate for disposal or destruction of specific types or forms of such material, compensatory provisions shall be developed and approved by the Chief Information Security Officer (CISO). Cognizant Security Information Managers (SIM) shall work to meet appropriate security needs according to the intent of this guideline and at acceptable cost.

Protected Information no longer needed shall be processed for appropriate archiving or disposal. Protected Information approved for destruction shall be destroyed in accordance with this section. The method of destruction must preclude recognition or reconstruction of the Protected Information or material.

All persons in possession of Protected materials shall establish procedures for review of their Protected holdings on a recurring basis to reduce these inventories to the minimum necessary for effective and efficient operations. Multiple copies, obsolete material, and Protected waste shall be destroyed as soon as practical after it has served its purpose. Any appropriate downgrading actions shall be taken on a timely basis to reduce the volume and to lower the level of Protected material being retained.

Original records must be retained in accordance with the Agency's Records Management Policy and Retention Schedules.

II. DISPOSAL AND DESTRUCTION

A. Destruction Requirements

All persons in possession of Protected materials shall destroy this material in their possession as soon as possible after it has served the purpose for which it was released, developed or prepared, or as soon as possible after its designated retention period has expired.

B. Methods of Destruction

1. Generally, Protected material shall be destroyed by commercial grade cross cut shredders located conveniently throughout the workplace for use by authorized individuals.

2. Additionally, Confidential material may be destroyed by burning, pulping, melting, mutilation, chemical decomposition, or pulverizing (for example, hammer mills, choppers, and hybridized disintegration equipment) where shredding may not be appropriate. Whatever method is employed must preclude recognition or reconstruction of the Confidential Information or material.

3. Confidential material in microform, that is: microfilm, microfiche, or similar high data density material, may be destroyed by burning or chemical decomposition, or other methods as approved by the CISO.

4. Commercial destruction facilities may be used only with the approval of, and under conditions prescribed by, the SIM. When commercial destruction facilities are utilized, they shall conform to all appropriate sub-contracting requirements to include appointment of a SIM, adherence to the requirements of the PANYNJ Information Security Handbook, receiving required security training and properly executing a Non-Disclosure and Confidentiality Agreement (NDA).

5. Electronically Stored Protected Information must be deleted from all computer hard drives, tapes, CD's, DVD's, memory, and/or magnetic, analog, or digital media used to store or transport digital files. The device used to store or transport any Protected file will require a bit-by-bit overwrite of the storage area used by the file. This will protect against having the deleted file recovered using data recovery tools. Commercial tools are available to automate this process.

C. Witness to Destruction

Protected material shall only be destroyed by authorized personnel, whether in-house or contracted, who meet all of the PANYNJ criteria for awarding access authorization, have met all training requirements, have a properly executed NDA on file and have a full understanding of their responsibilities to ensure proper control of the materials while in their possession and complete destruction thereof.

D. Destruction Records

Protected Information is accountable and therefore any disposal in approved waste containers or destruction via convenience shredders must be reported to the issuing SIM, or his/her document control representative, indicating which documents were disposed/destroyed and the date of such action.

Protected waste shall be destroyed as soon as practical. This applies to all waste material containing Protected Information. Pending destruction, Protected waste shall be appropriately safeguarded. (See also Appendix G - Guidelines for the Storage of Protected Information.)

III. PROTECTED WASTE

A. Approved Receptacles

1. Receptacles utilized to accumulate Protected waste shall be constructed of substantial materials that would provide evidence of tampering. Hinges and lids shall not be removable while the container is secured without leaving evidence thereof.

2. All such receptacles shall be clearly identified as containing Protected material.

3. Slots shall be provided in such receptacles that allow for easy deposit of materials for destruction but preclude removal of deposited waste by insertion of a person's hand or tool.

4. Locks, and the control thereof, on all Protected waste receptacles shall meet or exceed the requirements of the PANYNJ Guideline for Storage of Confidential Information.

B. Oversize Waste Materials

PANYNJ projects often involve large drawings and other materials associated with construction projects, which cannot be conveniently disposed of via office shredders or placed in typical slots on secure trash receptacles. In no cases shall such material be permitted to be placed or accumulate adjacent to secure receptacles while awaiting destruction. Oversize materials awaiting destruction may be stored as follows:

1. Within an approved Document Retention Area.

2. Within a specially constructed secure waste receptacle where disposal slots have been specifically designed for accepting rolled drawings or other oversize materials and preclude the removal there from.

3. Within a standard secure waste receptacle where the receptacle has been opened by an authorized individual to allow placement of the oversized item(s) into the container and it has been secured thereafter.

APPENDIX I

Audit Procedures

COMPANY / ORGANIZATION

- Is the Company Non-Disclosure and Confidentiality Agreement properly executed and maintained in current status?
- Has a senior management official been designated as Security Information Manager (SIM), as required by the Handbook for Protecting Security Information? Has a deputy SIM been identified?

ACCESS AUTHORIZATIONS

- Has a Non-Disclosure Agreement been executed by each employee who has been afforded access?
- Is a current record maintained of all employees authorized access to Confidential Information at the firm?
- Does the contractor provide a roster of all cleared employees to the PA as required? Is it current?

SECURITY EDUCATION

- Does the contractor provide that all employees who have access to Protected Information with security training and briefings commensurate with their involvement with the information?
- Are contractors who employ persons at other locations ensuring the required security training?
- Are the Non-Disclosure Agreements executed by employees prior to accessing the sensitive information?
- Do initial security briefings contain the minimum required information?
- Does the contractor's security education program include refresher security briefings?
- Are employees debriefed at the time of a termination, reassignment or project's completion regarding the requirements for continued safeguarding of Protected

Information?

- Has the contractor established internal procedures that ensure authorized awareness of their responsibilities for reporting pertinent information to the SIM?
- Has the contractor established a graduated scale of administrative disciplinary action to be applied against employees who violate the Handbook?
- Are employees aware of Emergency Procedures?
- Does management support the program for safeguarding Port Authority Confidential and Privileged Security Information?

STANDARD PRACTICE PROCEDURES

- Is the Confidential Information Practice and Procedures ("CIPP") document current and does it adequately implement the requirements of the Handbook?
- A CIPP only needs to be prepared when the Departmental Information Security Officer ("DISO") believes it necessary for the proper safeguarding of Confidential Information.

SUBCONTRACTING

- Have all Subcontractors properly executed the Non-Disclosure and Confidentiality Agreement?
- Has a Non-Disclosure Agreement been executed by each of the Subcontractor's employees who has been afforded access?
- Is a current roster maintained of all Subcontractor employees authorized access to Confidential Information at the firm?
- Does the Subcontractor provide this roster to the Prime Contractor's SIM as required? Is it current? Does it include the date that the agreement was signed? Is it included in the Prime Contractor's Team Roster?
- Does the contractor complete all actions required in the Handbook prior to release or disclosure of Port Authority Protected Information to subcontractors? Has the Subcontractor been provided a Handbook?
- Has a senior management official of the Subcontractor been designated as the Security Information Manager (SIM), if required by a CIPP?

- Has a deputy SIM been identified?
- Is the safeguarding capability of all subcontractors determined as required?
- Is the requirement to abide by security procedures identified in the Handbook incorporated into each subcontract?
- Does the Subcontractor have an adequate understanding of the Handbook's requirements and the types of information that require safeguarding?

VISIT CONTROL

- Are procedures established to ensure positive identification of visitors prior to disclosure of Protected Information?

CLASSIFICATION

- Does the contractor have adequate procedures for evaluating Protected material being created, extracted, or summarized?
- Is contractor-developed Protected Information appropriately marked, and protected?

PUBLIC RELEASE

- Does the contractor obtain the approval of the Port Authority prior to public disclosure of *ANY* information pertaining to a security program contract?

STORAGE

- Has the contractor established a system of security checks at the close of each working day to ensure that sensitive material is secured?
- How would the Protected material be safeguarding during an emergency?
- Is a record of the names of persons having knowledge of the combinations to security containers maintained?
- When combinations to containers are placed in written form, are they stored appropriately?
- Do authorized persons, when required, change combinations to security

containers?

MARKINGS

- Is all Protected material, regardless of its physical form, marked properly?
- Is all Protected material marked to show the name and address of the facility responsible for its preparation and the date of preparation?
- Are overall markings marked conspicuously as required?
- Are protective markings applied to Protected compilations if required?

TRANSMISSION

- Is Protected Information properly prepared for transmission outside the facility?
- Are Transmittal Receipts included with Protected Information if required?
- Is a suspense system established to track transmitted documents until the signed receipt is returned?
- Are authorized methods used to transmit Protected material outside the facility?
- Is the NDA of the receiving facility determined prior to transmission of Protected Information?

PROTECTED INFORMATION CONTROLS

- Do contractor employees understand their safeguarding responsibilities?
- Is the contractor's accountability system capable of facilitating the retrieval and disposition of Protected material as required?
- Are external receipts and dispatch records maintained as required?
- Is all Protected material received at the contractor facility and delivered directly to designated personnel?
- Do contractor employees promptly report the loss, compromise, or suspected

compromise of Protected Information to the SIM?

DISPOSITION

- Is a program established to review Protected retention on a recurring basis for the purpose of reduction?
- Is Protected material destroyed as soon as possible after it has served its purpose?
- Does the contractor employ an effective method of destruction?
- Is Protected material destroyed by the appropriate employees?
- Is Protected waste properly safeguarded until its timely destruction?

REPRODUCTION

- Does the facility's reproduction control system keep reproduction of Protected material to a minimum?
- Is the reproduction of Protected Information accomplished only by properly authorized, and knowledgeable employees?
- Is reproduction authorization obtained as required?
- Are reproductions of Protected material reviewed to ensure that the markings are proper and legible?

AUTOMATED INFORMATION SYSTEMS (AIS)

- Are appropriate physical controls being exercised over approved AIS?
- Are AIS media containing Protected Information handled in a manner consistent with the handling of Confidential documents?
- Are all AIS storage media, internal memory, and equipment, that contain Protected Information, properly sanitized prior to removal from protection?

Suggested Questions When Interviewing Employees NOT Authorized Access to Confidential Information:

- What is Protected Information?
- Have you ever seen Protected Information?
- If you found Protected Information unprotected, what would you do?

Suggested Questions When Interviewing Employees Authorized Access to Protected Information:

- What is your job title/responsibility?
- Which contract or program requires you to access this information?
- How do you access the information?
- How long have you been authorized access?
- When was your last access to Protected Information?
- Have you ever had access to Protected Information outside of this facility?
- Did anyone else from the facility accompany you?
- Did you take any Confidential notes or Protected Information back to the facility?
- What procedures were followed to protect this information?
- Where is this information now?
- Have you ever provided access to Protected Information to visitors?
- How did you determine their need-to-know?
- Have you ever been approached by anyone requesting Protected Information?
- Do you ever work overtime and access Protected Information?
- When was the last time that you had a security briefing?
- What can you recall from this briefing?
- Have you ever been cited for a security violation?
- What would YOU do if YOU committed a security violation or discovered one?
- Do you have the combination to any storage containers?
- Who other than yourself has access to these containers?

- Is a record maintained of the safe combination? If so, where?
- Do you reproduce or generate Protected Information?
- Where do you typically work when you generate Protected Information?
- What procedures do you follow to protect Protected Information while working on it?
- Do you ever use a computer to generate Protected Information? How do you mark this Information?
- Please produce the guidance that you used. Is it accurate?
- What procedures do you employ when hand carrying Protected material?
- Have you reproduced Protected Information? Describe the procedures.
- Have you destroyed Protected Information? What procedures were used?
- Do you have any questions regarding security?