

# **THE PORT AUTHORITY OF NY & NJ**

**PROCUREMENT DEPARTMENT  
ATTN: BID/PROPOSAL CUSTODIAN  
2 MONTGOMERY STREET, 3<sup>RD</sup> FLOOR  
JERSEY CITY, NJ 07302**

## **REQUEST FOR PROPOSALS (RFP)**

**Issued: June 3, 2013**

**TITLE: HOSTED MICROSOFT EXCHANGE E-MAIL AND  
ADMINISTRATION SERVICES**

**NUMBER: 33627**

**SUBMIT PROPOSALS BEFORE THE DUE DATE AND TIME TO THE ABOVE  
ADDRESS**

**PROPOSALS DUE BY: July 9, 2013                      TIME: 2:00 P.M.**

**QUESTIONS DUE BY: June 24, 2013                      TIME: 2:00 P.M.**

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## **1. INFORMATION FOR PROPOSERS**

### **A. 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 an 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 Bus Station and Journal Square Transportation Center. A key link in interstate commuter travel, the Port Authority also operates the Port Authority Trans-Hudson Corporation (PATH), a rapid rail transit system linking 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 and being partially redeveloped by the Authority.

The Port Authority is hereby seeking proposals from qualified firms to provide Hosted Microsoft Exchange E-mail and Administration Services as more fully described herein. The Authority will entertain the submission of alternate proposals by each Proposer meeting the prerequisites.

### **B. Brief Summary of Scope of Work**

The Authority utilizes Microsoft Exchange for its corporate mail and calendaring system. Microsoft Exchange mail service is currently being hosted (provided) by a vendor with off-site data center facilities and with the vendor’s server infrastructure providing

Microsoft (MS) Exchange mail with features of Exchange/Outlook, including calendaring and scheduling with conference rooms and equipment (resources), public folders, distribution lists, contacts, Active Directory for the MS Exchange resource domain/forest structure, with hosted or third-party spam protection and virus protection services. Access to this environment is currently via Outlook MAPI client access, Outlook Web Access, which uses forms-based authentication and wireless access (BlackBerry Enterprise Server and Exchange ActiveSync). Outlook desktop administration is not being provided through this service. However, interface with the Authority's Support Desk to determine and resolve 2<sup>nd</sup> and higher-level service-related problems, including MS Exchange/Outlook, is required.

By way of this RFP, the Authority is currently pursuing a Hosted Microsoft Exchange E-mail and Administration Services approach for the on-going hosted e-mail and related services starting on or around January 1, 2014. The approach consists of the Authority's role and the Contractor's role as follows:

The Authority would be responsible for **overall management** of the Hosted Microsoft Exchange E-mail and Administration Services contract. The Contractor would be responsible for providing a stable, secure, reliable, highly available and rapidly recoverable corporate MS Exchange and BlackBerry server-side environment (located in the continental U.S.) including administration and management of necessary hardware/software, all configuration, troubleshooting and problem resolution (including interface with the Authority's Support Desk for assistance with or resolution of Exchange/Outlook issues), keeping current with upgrades, service packs, fixes, and new releases, as well as disaster recovery services and support including documentation and testing. The Authority will consider optional services such as Mobile Device Management (BlackBerry and other mobile devices), E-mail archiving and ediscovery, and compliance capabilities. The Contractor would be responsible for obtaining and maintaining any needed third-party service (such as possible third-party service providers of virus and spam protection services) and for obtaining and maintaining technical support agreements with technology companies for sufficient technical support of their products (such as from Microsoft for Windows and Exchange, BlackBerry for BlackBerry devices, and with anti-spam and anti-virus software vendor(s)). The Contractor would also be looked to for providing the telecommunications circuits and infrastructure equipment between the Contractor's server/network/data center infrastructure (located in the continental U.S.) for hosted Microsoft Exchange, Outlook Web Access, BlackBerry Enterprise Server, spam protection and virus protection services, and the Port Authority's network/technology infrastructure. These responsibilities are referred to as "Hosted Microsoft Exchange E-mail and Administration Services" for the purpose of this RFP. (See [Attachment D, Section 2](#), for details on the responsibilities identified above.)

The Authority invites proposals from firms who wish to provide Hosted Microsoft Exchange E-mail and Administration Services for the Authority as detailed in

[Attachment D - Scope of Work](#). Refer to [Attachment E](#) for the Port Authority's current MS Exchange/Outlook Technical Environment. The Authority has IT standards as well as guidelines for system administration. Refer to [Attachment G](#) for the Authority's Standards & Guidelines for Technology.

The Authority's primary objectives in the solicitation of proposals are:

- To deliver high quality, secure, reliable and highly available MS Exchange / Outlook services and related services on a 24-hour a day, seven-day a week (24 x 7) basis;
- To ensure application and system currency, availability, and reliability through responsive identification and application of service upgrades, service packs and fixes with a minimum of service interruption;
- To obtain continuous measurable improvement in the productivity and quality of the Hosted Microsoft Exchange E-mail and Administration Services environment;
- To employ a documented maintenance methodology for the hosted service and its components in accordance with the Authority's Standards & Guidelines for Technology and best practices;
- To maintain the integrity, availability, security and confidentiality of the hosted service, its components, and data stored within;
- To reduce/contain cost for the hosted services;
- To supply a flexible solution that facilitates growth in the service, and service features, and value-added services, such as flexible mailbox and message size options, email archiving, etc.
- To ensure consistent and timely responsiveness to changes in demand for services.
- All of the above objectives must meet the service-level agreement standards as documented in Attachment D, Section 2.2.

The Contract will be for a four (4) year base period. The Authority shall have at its sole option the right to extend the Contract for one additional three-year period. In addition, the Authority will have the sole right to extend the Contract for a 180-day period.

### **C. Deadline for Receipt of Proposals**

The due date specified on the cover page is the Proposal Due Date. Closing of due date is 2:00 P.M., Eastern Standard Time (EST).

The Port Authority assumes no responsibility for delays caused by any delivery service. Postmarking by the due date will not substitute for the actual proposal receipt.

### **D. Vendor Profile**

To ensure maximum opportunities, it is vitally important that Proposers 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. Proposers may update their vendor profile or register as a Port Authority Vendor by accessing the online registration system at <https://panynjprocure.com/VenLogon.asp>.

### **E. Submission of Proposals**

One reproducible original (containing original signatures and clearly designated as such) and fifteen (15) double-sided copies along with one (1) compact disc copy, of the proposal must be submitted on or before the due date and time in accordance with the information on the cover page of this RFP and sent or delivered to the RFP Custodian at the address specified on the cover page. Each copy of the proposal, the compact disc as well as the sealed parcel(s) used for shipping must be conspicuously marked with the Proposer's name and address as well as the Proposer's Vendor Number, if available. In addition, the outside of the package must clearly state the title of this RFP, the number of this RFP and the Proposal Due Date. Notwithstanding retention of the compact disc, in case of conflict, the reproducible original of the proposal and the written hard copy Agreement, if awarded, shall take precedence over material on the compact disc. Failure to properly label proposal submissions may cause a delay in identification, misdirection or disqualification of proposal submissions.

It is necessary to carry valid photo identification when attempting to gain access into the building to hand deliver proposals.

Consistent with environmentally preferable procurement practices, the Port Authority requests all documents submitted to be in a form that can be easily recycled (i.e., no plastic covers or binding) and to provide only supporting literature which directly relates to the proposal being submitted.

The original copy of the submission should include, in a **separate envelope** marked "Proposer Prerequisites", all documentation necessary to demonstrate that the Proposer meets the prerequisites set forth in Part I, Section 3 entitled "Proposer Prerequisites".

## **F. Communications Regarding this RFP**

All communications concerning this RFP should be directed to the Buyer listed on the cover page. All questions regarding this RFP must be submitted in writing to the Buyer at the address or facsimile number listed on the cover page on the date and time specified on the cover page no later than 3:00 P.M. (EST).

The Buyer is authorized only to direct the attention of prospective Proposers to various portions of this RFP so that they may read and interpret such portions themselves.

Neither the Buyer nor any other employee of the Port Authority is authorized to interpret the provisions of this RFP or give additional information as to its requirements. If interpretation or other information is required, it will be communicated to Proposers by written addenda and such writing shall form a part of this RFP.

## **G. Proposal Acceptance or Rejection**

Acceptance shall be only by mailing to or delivering at the office designated by the Proposer in its proposal, a notice in writing signed by an authorized representative on behalf of the Port Authority specifically stating that the proposal is accepted or by execution of an agreement covering the subject matter of this RFP signed by authorized representatives of the Port Authority and the Proposer. No other act of the Port Authority, its Commissioners, officers, agents, representatives, or employees shall constitute acceptance of a proposal. Rejection of a proposal shall be only by either (a) a notice in writing specifically stating that the proposal is not accepted, signed by an authorized representative of the Port Authority and mailed to or delivered to the Proposer at the office designated in the Proposal, or (b) omission of the Port Authority to accept the proposal within 180 days after the Proposal Due Date. No other act of the Port Authority, its Commissioners, officers, agents, representatives or employees shall constitute rejection of a proposal.

## **H. Union Jurisdiction**

Proposers 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 their attention is directed to the Section of this RFP entitled "Harmony" included in the "General Contract Provisions" hereunder.

## **I. City Payroll Tax**

Proposers should be aware of the payroll tax imposed by the:

- a. City of Newark, New Jersey for services performed in Newark, New Jersey;
- b. City of New York, New York for services performed in New York, New York;  
and
- c. City of Yonkers, New York for services performed in Yonkers, New York.

These taxes, if applicable, are the sole responsibility of the Contractor. Proposers 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 entitled “Tax Exemptions”, in the “General Contract Provisions” included herein, does not apply to these taxes.

#### **J. Additional Proposer Information**

Prospective Proposers are advised that additional vendor information, including, but not limited to forms, documents and other information, including M/WBE Participation Plan Submission Forms and protest procedures, may be found on the Port Authority website at:

<http://www.panynj.gov/business-opportunities/become-vendor.html>

#### **K. Contractor Staff Background Screening**

The Contractor awarded this contract will 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 as provided herein. 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.

## **2. SCOPE OF WORK**

The full Scope of Work is set forth in detail in [Attachment D](#).

### **3. PROPOSER PREREQUISITES**

Only Proposers who can demonstrate that they comply with the following should submit proposals, as only proposals from such Proposers will be considered. Proof of meeting the following prerequisites must be submitted with the proposal. It should be noted that a determination that a Proposer meets the prerequisites is no assurance that the Proposer will be deemed qualified in connection with other proposal requirements included herein. Proposers must meet all of the following requirements:

A. The Proposer shall have had at least two (2) years of continuous experience immediately prior to the date of the submission of its proposal in the management and operation of a business actually engaged in providing Hosted Microsoft Exchange E-mail and Administration Services to commercial, industrial, and/or governmental accounts under contract.

The Proposer may fulfill this prerequisite if it can demonstrate that the persons or entities owning and controlling the Proposer have had a cumulative total of at least the same number of years experience in the management and operation of such a business immediately prior to the submission of this proposal, or have owned and controlled other entities which meet the requirement.

For purposes of this prerequisite, the provision of Hosted Microsoft Exchange E-mail and Administration Services shall include providing hosted Microsoft Exchange E-mail and Administration Services.

B. During the time period stated in (A) above, the Proposer or persons or entities owning or controlling the Proposer shall have satisfactorily performed at least two contract(s) to commercial, industrial, and/or governmental accounts for providing similar services of similar size (approximately 2,000 mailboxes or more) and scope as those required herein.

C. The Proposer shall demonstrate that the physical servers and storage devices that house the Authority's data for hosted services, disaster recovery options, and off-site backup storage, are to be located in the continental United States throughout the term of the contract. All data and all staff with access to the Authority's data must be located in the continental United States. The Proposer shall submit the proposed location of the physical servers and storage devices and staff for use in this Contract. The Proposer shall clearly submit an attestation that it meets this prerequisite.

If the Proposer intends to utilize a subcontractor, the Authority will only consider the relevant experience of that subcontractor working as a subcontractor in prior contracts to the Proposer in determining whether the Proposer has met the prerequisites set forth herein. Any decision that a Proposer has met the prerequisites that is based on the experience of a subcontractor will be reconsidered if the proposed subcontractor arrangement is withdrawn by the Proposer. If the Proposer is a common law joint

venture, the Authority will only consider the experience of each of the joint venture partners working as a common law joint venture in prior contracts with these same partners in determining whether the Proposer has met the prerequisites set forth herein. Notwithstanding the above, each prerequisite requirement must be met by a single entity.

All references cited as documentation for Prerequisites A, and B above, must appear with complete information on [Attachment C1 - Documentation for Prerequisite A](#), [Attachment C2 - Documentation for Prerequisite B](#) and [Attachment C3 - Documentation for Prerequisite C](#). Client references used to satisfy requirements A and B may be the same. The Authority reserves the right to contact any or all of these clients.

#### **4. FINANCIAL INFORMATION**

The Proposer will be required to demonstrate that it is financially capable of performing the contract resulting from this RFP (“Contract”). The determination of the Proposer’s financial qualifications and ability to perform this Contract will be in the sole discretion of the Port Authority. The Proposer shall submit, with its proposal, the following:

- A. (1) Certified financial statements, including applicable notes, reflecting the Proposer’s assets, liabilities, net worth, revenues, expenses, profit or loss and cash flow for the most recent year or the Proposer’s most recent fiscal year.
- (2) Where the certified financial statements in (1) above are not available, then reviewed statements from an independent accountant setting forth the aforementioned information shall be provided.

Where the statements submitted pursuant to subparagraphs (1) and (2) aforementioned do not cover a period which includes a date not more than forty-five days prior to the Proposal Due Date, then the Proposer shall also submit a statement in writing, signed by an executive officer or his/her designee, that the present financial condition of the Proposer is at least as good as that shown on the statements submitted.

- B. A statement of work which the Proposer has 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 Proposer’s work on these jobs.
- C. The name and address of the Proposer’s banking institution, chief banking representative handling the Proposer’s account, the Proposer’s Federal Employer Identification Number (i.e., the number assigned to firms by the Federal Government for tax purposes), the Proposer’s Dun and Bradstreet number, if any, the name of any

credit service to which the Proposer furnished information and the number, if any, assigned by such service to the Proposer's account.

## 5. EVALUATION CRITERIA AND RANKING

The Authority will review all proposals to determine if they adhere to the format required, if they contain all required submissions and if the Proposal satisfies the prerequisites stated herein. Only proposals meeting such requirements will then be reviewed according to a dual-phase evaluation process.

**Phase 1:** Involves a detailed review and evaluation of the Proposer's technical and managerial approaches, experience and overall offerings in response to this RFP.

**Phase 2:** Entails the opening and evaluation of the sealed Cost Proposal submissions for only those proposals that the Authority, in its sole determination, had Phase 1 scores capable of providing effective solutions to the requirements stated herein. Cost-based scores for Phase 2 will be added to the business-based scores developed in Phase 1 for an overall comprehensive score.

*It shall be noted that during Phase 2, Proposers will be generally precluded from introducing any additional business terms unless such exceptions are justified by and directly related to substantive changes in the business or technical requirements agreed to by the Proposer and the Port Authority.*

Proposals will be evaluated according to the following criteria. The second and third criteria are equally weighted.,

1. **Work Approach:** The quality and responsiveness of the Proposer's approach and the demonstrated ability to provide the required services described in [Attachment D - Scope of Work](#) of this RFP. The completeness of the services proposed, the ability to satisfy or exceed the requirements of this RFP and the quality of the management and the technical approach to be used to ensure consistently high quality service. Also evaluated will be the ability to provide the Authority with maximum flexibility in terms of the services provided and technologies employed while adjusting to changes in the Authority's business requirements, the size of the Authority over the term of the agreement, and changes in the Authority's technology requirements; the ability to provide value-added services that improve quality delivered while reducing Authority costs; and the ability to provide a well controlled, secure and virus-protected MS Exchange environment. An important consideration is the analysis of business risk that the Port Authority could incur under this contracting scenario.
2. **Firm Experience and Management Commitment:** The extent and quality of relevant and successful experience, demonstrated ability, and management commitment of the Proposer, in providing the required services to companies on a scale comparable to that described in Attachment D - Scope of Work. Special

- emphasis is to be given to the extent the Proposer has demonstrated a high degree of performance in past contracts for hosted MS Exchange E-Mail and administration services and which reflect current business best practices. Documented or demonstrated quality control environment. The Proposer's size, financial capability and stability, industry track record, and capability to provide the managerial, technical and physical resources and experienced and trained staff to deliver the required services over an extended time period. The Proposer's ability, through relationships with the software vendors and experience with other clients, to provide strategic advisory services, to bring alternative solutions and insight into the software product growth, and upgrades and to bring new functionality to bear on our environment, while ensuring the overall integrity and security of the environment. Prior experience between firms proposing a joint venture or prime and subcontracting relationship will also be evaluated in this category. This criterion also includes the quality and effectiveness of the M/WBE Plan and the extent to which it meets or exceeds Port Authority standards.
3. **Cost:** The financial terms and fees proposed for all required services. The degree and extent to which the Proposal is cost effective to the Port Authority and the overall cost of the service. The Proposer's clear description of the methods, practices, tools and techniques that will result in cost containment, and the likelihood of those methods, practices, tools and techniques to be successfully deployed at the Authority.

## **6. 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 Proposer will 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.

The Contractor shall use good faith efforts to achieve participation equivalent to 12% of the total Contract price for MBEs and 5% of the total Contract price for WBEs.

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.

Proposers are directed to use form PA3749B as the recording mechanism for the M/WBE participation Plan, annexed hereto as Attachment I or 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:

- 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.

- **Level of Participation:** Indicate the percentage of M/WBE participation expected to be achieved with the arrangement described in the Plan.
- **Scope of Work:** Describe the specific scope of work the M/WBE's will perform.
- **Previous M/WBE Participation:** Describe any previous or current M/WBE participation, which the Proposer 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 <http://www.panynj.gov/business-opportunities/supplier-diversity.html> 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.

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

Proposers may request a waiver of the M/WBE participation goals set forth in this Contract by providing with its proposal, information in accordance with this provision and the provision entitled "M/WBE Good Faith Participation" in the Standard Terms and Conditions of this Contract.

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, 4<sup>th</sup> Floor, New York, NY 10003. The application is available online at <http://www.panynj.gov/business-opportunities/sd-become-certified.html>. In addition, to update your certification file and to advise OBDCR of changes to any information, please email these changes to [OBJOcert@panynj.gov](mailto:OBJOcert@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.

## **7. PROPOSAL SUBMISSION REQUIREMENTS**

**In order to expedite the evaluation of proposals, the Proposer's response to this RFP must follow the format and order of items, using the same paragraph identifiers, as set forth below.**

### **A. Letter of Transmittal**

The Proposer shall submit a letter on its letterhead, signed by an authorized representative, stating its experience and qualifications in meeting the requirements of this RFP. This letter shall include a statement on whether the Proposer is submitting a proposal as a single entity, a joint venture, or is partnering with another firm in a prime/subcontracting relationship. In all cases, information required for a single entity is required for each participant in a joint venture.

The Letter of Transmittal shall contain:

- (1) Name and address of the Proposer and an original signature on the Letter of Transmittal by an authorized representative on behalf of the Proposer;
- (2) Name(s), title(s) and telephone number(s) of the individual(s) who are authorized to negotiate and execute the Contract;
- (3) Name, title and telephone number of a contact person to which the Port Authority can address questions or issues related to this RFP;
- (4) Name and address of proposed subcontractors, if any;
- (5) If a corporation: (a) a statement of the names and residences of its officers, and (b) a copy of its Certificate of Incorporation, with a written declaration signed by the secretary of the corporation, with the corporate seal affixed thereto, that the copy furnished is a true copy of the Certificate of Incorporation as of the date of the opening of the Proposals;

If a partnership: a statement of the names and residences of its principal officers, indicating which are general and which are special partners;

If an individual: a statement of residence;

If a joint venture: information on each of the parties consistent with the information requested above.

If a joint venture: information on each of the parties consistent with the information requested above; if the Contract is awarded to a common law joint venture (a partnership of business entities) each member will be jointly and severally liable under the Contract.

## **B. Table of Contents**

All Proposers must submit a table of contents, which identifies the major topics and subtopics of their response with associated page numbers. Please reference Attachment C5 – RFP Checklist for Proposers.

### **C. Executive Summary**

The Proposer shall submit a summary presenting the major features of its proposal and how the proposal satisfies the requirements contained in this RFP, as well as the special competencies and expertise of the Proposer to meet the requirements of this RFP. This summarization should address key points in the proposal in the order laid out in the RFP.

### **D. Agreement on Terms of Discussion**

The Proposer shall submit a copy of the “Agreement on Terms of Discussion,” signed by an authorized representative of the Proposer. The Agreement format is included as Attachment A and shall be submitted by the Proposer without any alterations or deviations. Any Proposer who fails to sign the Port Authority's "Agreement on Terms of Discussion" will not have its proposal reviewed. If the Proposer is a joint venture, an authorized representative of each party must sign the Agreement.

### **E. Certifications With Respect to the Contractor’s Integrity Provisions**

The Proposer, by signing the Letter of Transmittal, makes the certifications in Section 37 – “Integrity” of Attachment B – General Contract Provisions of this RFP. If the Proposer cannot make any such certifications, it shall enclose an explanation of that inability.

### **F. Documentation of Proposer Prerequisites**

The Proposer shall submit documentation to demonstrate that it meets all prerequisites, if any, included herein.

### **G. Proposal**

The Proposer must submit a proposal, which details and clearly describes its capability to perform the Scope of Work described in this RFP, its approach to such work and the cost of such work to the Port Authority. At a minimum, the proposal shall address the following:

- G.1 – Management Proposal
- G.2 – Technical Proposal
- G.3 – Cost Proposal
- G.4 – Background Checks

## G.1 Management Proposal

The Proposer shall describe in detail its experience, including relevant contracts performed during the last two (2) years, its financial capability, management structure and proposed staffing, including resumes and other supporting documentation demonstrating its ability to perform the work.

The Proposer shall explain why their proposal meets or exceeds the minimum requirements of the Scope of Work, by including and explaining any value-added services, which would be provided by the Proposer and how they benefit the Authority.

The Proposer's Management Plan shall consist of the following:

- G.1.1 Company Profile;
- G.1.2 Prior Experience Fulfilling Contracts Similar in Scope to the Authority's;
- G.1.3 Management Structure and Approach;
- G.1.4 Staffing Qualifications and Capacity to Fulfill the Contract.

### G.1.1 Company Profile

A statement of the firm's financial capability to perform the required services must be included as described in Section 4 - Financial Information. This statement should be able to be validated by certified corporate financial statements or corporate viability, which can be validated by organizations such as Dun & Bradstreet.

The firm shall provide a brief description of their company, its lines of business, organization, mission and objectives, the location and size of the office that would support a future contract for Hosted Microsoft Exchange E-Mail and Administration Services with the Authority and the size and number of Hosted Microsoft Exchange E-Mail and Administration Services agreements currently in place with that office and with the entire company. If Hosted Microsoft Exchange E-Mail and Administration Services are provided as a subset of services provided by the company, contrast the financials and staffing dedicated to the Hosted Microsoft Exchange E-Mail and Administration Services from the overall company figures. Please provide information on the size, resources and revenue generated by the unit of your company that would support this Contract with the Authority.

Included in the information provided should be:

- a. Name and address of the proposal's preparer and joint venture participant, if any, and company organization chart.
- b. A statement on how many years the firm has been in business under its present business name, and a list of previous business names used, if any. This statement should address how many years the firm has provided Hosted Microsoft Exchange

E-Mail and Administration Services. Please address the following in this statement:

- which services and versions for which the firm has provided Hosted Microsoft Exchange E-Mail and Administration Services;
  - how long this support has been offered (months/years);
  - indicate if support was provided on a 7 days week / 24 hours a day (24 x7) basis or if alternative support hours were in place;
  - how many clients and how long with each client;
  - how many user mailboxes were supported at each client; and
  - how many BlackBerry users were supported at each client;
- c. Information on whether the firm, or any officer or partner thereof failed to complete a contract for any prior Hosted Microsoft Exchange E-Mail and Administration Services contract, whether defaulted or terminated, with or without cause, or for any other reason. If so, provide details.
- d. Provide the name, title, telephone number, and e-mail address of a responsible representative of the firm, or joint venture, the Authority may contact in the event that further information is required. That representative should be notified by the Proposer of their possible participation. At any time after the opening of the RFP submittals, the Authority may request additional information relating to the prospective firm's or participant's qualifications.
- e. Identification of any existing relationship the company may have with Microsoft or any other vendor (such as BlackBerry for BlackBerry devices and with anti-virus and anti-Spam vendors) pertinent to the Proposer's ability to support the Microsoft Exchange/Outlook/ActiveSync and BlackBerry environment.

**Note: If the proposal is submitted by a joint venture, all company information requested must be submitted for each firm constituting the joint venture**

#### G.1.2 Prior Experience Fulfilling Contracts Similar in Scope to the Authority's

The Proposer must demonstrate to the satisfaction of the Authority, that it has sufficient resources, capabilities and experience to meet the business needs and requirements as set forth in this RFP. To do so, the Proposer must provide the following:

- a) That within two (2) years preceding the date of issue of this RFP, the firm either as a prime contractor or subcontractor has satisfactorily provided Hosted Microsoft Exchange E-Mail and Administration Services to a non-related entity for MS Exchange. "Hosted Microsoft Exchange E-Mail and Administration Services" is defined to include activities required to provide and keep the MS Exchange mail service available to all corporate users and to provide for

uninterrupted availability to all mail service related functions. These activities include, but are not limited to:

- \* providing and maintaining the data center operations and technology infrastructure to provide email service;
- \* maintaining access to MS Exchange mailboxes and associated Active Directory (AD) accounts;
- \* maintaining and configuring appropriate and up-to-date virus and spam control;
- \* maintaining a consistent privacy and security environment, following current best practices including use of security policies, firewalls, intrusion detection/prevention devices;
- \* detecting and correcting defects (including 24-hour availability for operational problem resolution) and document test results, action items and their resolution;
- \* analyzing, maintaining, configuring and documenting services and their components;
- \* tuning system performance;
- \* ensuring adequate capacity for growth of the service;
- \* applying MS Exchange, MS Windows and third-party software (such as for BlackBerry Enterprise Server and anti-virus) version and release upgrades, service packs and fixes;
- \* maintaining a test lab environment to ensure changes to the environment are adequately tested prior to implementation;
- \* assessing the impact of changes to the operational environment, determining if changes are needed, and implementing the changes as required;
- \* initiating and implementing productivity improvements;
- \* coaching information technology personnel and core functional users;
- \* answering questions from information technology operational personnel and corporate users related to MS Exchange in the role of 2<sup>nd</sup> and 3<sup>rd</sup> level Support Desks;
- \* having a set escalation procedure for Support Desk problem resolution, including escalation to third-party vendors which provide products (hardware and software) utilized in the hosted managed service;
- \* maintaining support agreements with third-party vendors (such as Microsoft, BlackBerry, hardware, and anti-virus and anti-spam vendors) to ensure proper support for products offered as components to the hosted managed services;
- \* preparing, maintaining and testing disaster recovery for various disaster scenarios including, but not limited to, various hardware failures, data corruption, network problems, loss of server(s), loss of primary data center;
- \* providing a quality assurance review/methodology for maintenance activities and enforcing installation standards; and

- \* maintaining MS Exchange environment consistent with acceptable best practices as well as the Authority's Standards & Guidelines for Port Authority Technology; and
- \* providing recommendations to enhance the stability, availability, and security of the MS Exchange/BlackBerry/Outlook environment.

The firm must demonstrate that either as a prime contractor or sub-contractor, it has provided the above-specified activities under a Hosted Microsoft Exchange E-Mail and Administration Services contract(s) by following a project management methodology managing the people and projects to deliver these services associated with projects of similar scope, complexity and duration as the Authority's project as defined in this RFP. The Proposer should discuss their compliance with best practices standards as evidenced by SSAE 16 SOC 2, ISO27001, and ISO27002 in all areas including IT Security.

Provide a detailed description of each such contract (a minimum of three (3) contracts should be provided), the associated contract costs, compliance with schedules, the locations where the work was performed, whether the work was at the Proposer's data center or at their customer's data center, duration of the contract, the number and experience level of technical and managerial staff with an indication of their level of knowledge (i.e.; certifications, etc.), the annual staff hours of full and part-time labor expended in the performance of the contract, a summary of the types of work performed in supporting an MS Exchange corporate environment as a hosted managed service, and the name, telephone number, and e-mail address of the owner's representative familiar with the work of each such contract. Provide details regarding the transitioning of services from existing vendor(s). Also provide the approximate number of mailboxes and MS Exchange servers and the version of MS Exchange supported for each such contract. Provide the approximate number of Exchange ActiveSync users supported. Provide the approximate number of BlackBerry clients, BlackBerry Enterprise servers and the version of BlackBerry Enterprise Server supported for each such contract. Preference will be given for experience with the MS Exchange Version 2007 and higher environment and for experience with later versions of BlackBerry Enterprise Server. The Authority reserves the right to contact the above-identified owners' representatives and validate the information provided. Proposers shall use Attachment C1 – Proposer General Reference Form to provide this information.

The firm shall submit their qualifications and experience in providing hosted e-mail and administration services in prior contracts. Firms are encouraged to submit any information or material deemed appropriate to demonstrate their experience and qualifications. Firms are encouraged to keep the descriptions to no more than ten (10) pages in length per contract (a minimum of 3 contracts is required).

The firm shall provide a list of its customer base with contact names, addresses, telephone number, e-mail address and a description of the services being provided. Additionally, the firm shall provide a list of client contacts with which the firm has ceased doing business in the last five years. The Authority will, at its own discretion, contact any or all of these references.

- b) That the firm, as it currently exists or as it will exist at the time of a contract to provide Hosted Microsoft Exchange E-Mail and Administration Services, (1) possesses the experienced staff directly or (2) will obtain such services from other sources. Please provide indications of the experience of the staff (i.e.; certifications, etc.).

The firm shall submit the qualifications and experience of their technical management and key technical staff who will participate in fulfilling the requirements of a submitted proposal as described herein. Firms are encouraged to submit brief resumes and any other information deemed appropriate to demonstrate the experience and qualifications of their staff and the qualifications of the individual(s) who the firm anticipates will function as the Engagement Manager, as well as a proposed organization chart for the contract showing key supervisory/management personnel to be assigned for the duration of the contract along with the anticipated function and relevant experience of each such person. The resumes should be representative of the staff the firm would assign to a contract to provide Hosted Microsoft Exchange E-Mail and Administration Services to the Authority. For each, indicate their role on the engagement whether remote or on-site and whether full time or part time.

Provide a statement of the total number of full-time (minimum thirty (30) hours/week) employees currently employed by the firm and deployed in Hosted Microsoft Exchange E-Mail and Administration Services engagements and the number employed in each of the preceding two (2) years. Detail the number of employees and the technical qualifications of staff who would be used to provide the e-mail-related services and/or a description of the sources the firm will utilize to staff the functions. The Proposer shall include the criteria used to determine the number and experience level of technical and managerial full-time equivalent staff, the annual staff hours of full and part-time labor expended in the performance of the contract, a summary of the types of work performed in supporting hosted MS Exchange services and the processes the Proposer will employ to ensure proper management and execution of the contract. State whether such sources have provided such services on previous similar projects for the firm or others with a listing of the specific contracts and descriptions of the business relationship utilized to provide such services, the past experience of key personnel including their length of service with the firm, the functions(s) and

responsibilities relative to a comparable contract. Identify the number and level of experience of staff.

- c) That the firm in its successful delivery of hosted managed services and administration services for MS Exchange e-mail possesses and adheres to formal processes which have produced tangible results in prior engagements and which include, at a minimum, the following:
- i) a plan and approach for beginning the engagement;
  - ii) a plan and approach for transitioning the services at termination or end of contract;
  - iii) a documented methodology for performing hosted managed services and administration services for e-mail which has as a goal of continuous improvement in its performance of the hosted managed service and its related system administration activities;
  - iv) a documented quality control methodology for all change management and upgrade activities, including new or additional services;
  - v) active disaster recovery procedures for minor through major disaster scenarios such as hardware failures (e.g. server and network infrastructure components), telecom circuit loss, data corruption, failure of third-party virus and spam protection services if applicable, and loss of data center, which would complement the Authority's own disaster recovery activities for the current MS Exchange environment;
  - vi) a documented set of security, virus and spam control procedures; and
  - vii) a statement of the firm's ability and prior experience in working with MS Exchange, BlackBerry, and anti-spam and anti-virus providers to resolve problems.

To demonstrate the above, submit copies of each applicable methodology or approach. Also submit any documents, such as sample or prior contract clauses, where numeric service levels have been specified and detail how the adherence to the formal methodologies have produced tangible and verifiable results.

*Please Note:* Company brochures alone shall not be submitted for the purpose of demonstrating experience and technical expertise. Submittals should be tailored to the specific requirements of this RFP.

### G.1.3 Management Structure and Approach

The firm shall describe their overall organizational structure and explain the relationship of information technology contracts to the firm's overall business goals and objectives. The firm shall also describe their approach to the management of third-party vendor application software contracts where the firm has responsibility for the end product (such as BlackBerry Service and virus and spam protection services). The firm shall identify

any issues related to their support of third-party vendor applications, including any special requirements/limitations imposed by the firm.

The firm shall describe the support structure in place to administer information technology contracts and describe the management tools and techniques used to manage and control information technology contracts. Preference will be given to using industry-recognized tools. Firms are encouraged to include organization charts, descriptions of project management and quality assurance programs and other relevant material to demonstrate their management approach. Firms shall also indicate the proximity of the data center(s) and other operations facilities, key management and technical staff to the Port District.

#### G.1.4 Staffing Capacity to Fulfill the Contract

The firm must demonstrate a sufficient level of staffing, experienced in MS Exchange/Outlook, and other technologies needed to support the Authority's use of the MS Exchange environment (see Attachment E – Technical Environment for a description of the current environment), such that the staffing required to support the Authority is not greater than 20% of the overall hosted e-mail managed services and system administration staffing capacity of the company. A statement of the number of MS Exchange experienced staff should be provided, listing number of physical sites, number of staffing at each site by specialty and experience level and length of time employed by the firm. If support is provided through the firm's centralized data center sites or via regional offices, these sites should be detailed. If support is provided by the firm on site at customer sites through regional offices, the composition of regional offices should be detailed. Offshore resources proposed for use with this service should be noted with details specifying their involvement in the service.

#### G.2 Technical Proposal

The Proposer shall describe in detail its approach to the Scope of Work and Specifications, including performance standards, scheduling and milestones, a self-assessment plan, a quality control/assurance plan, and/or a customer service plan and should attach supporting documentation where applicable. The Technical Plan must consist of the following:

- G.2.1 Hosted Microsoft Exchange E-Mail and Administration Services Plan Overview;
- G.2.2 Workforce Management Plan;
- G.2.3 Detailed Hosted Microsoft Exchange E-Mail and Administration Services Plan;
- G.2.4 Detailed Start and End of Contract Transition Plans; and
- G.2.5 Detailed Security, Virus, Spam, and Intrusion Protection, Detection, and Response Plan

### G.2.1 Hosted Microsoft Exchange E-Mail and Administration Services Plan Overview

The Proposer shall provide a narrative Hosted Microsoft Exchange E-Mail and Administration Services Plan Overview of the overall approach to be used. The focus of this overview should be on providing a high-level introduction to the Proposer's plan as to how the services as described in Attachment D, Scope of Work, contained herein, will be provided and managed. The Hosted Microsoft Exchange E-Mail and Administration Services Plan Overview should set forth main objectives, identify key success factors, performance measures, anticipated problem areas, if any, and how the Proposer would address these. The plan should include proposed operating procedures, which define the roles and responsibilities of both the Proposer and the Proposer's expectations of the roles and responsibilities of the Authority. If the roles and responsibilities of the Proposer and/or the Authority are not constant throughout the duration of the contract, these differences must be specified. Any limitations on any of the services being delivered by the Proposer must be clearly stated as such. Any remote connectivity and services must be in compliance with all applicable laws and regulations, including all applicable federal and state privacy requirements.

The Hosted Microsoft Exchange E-Mail and Administration Services Plan should also include a description of your company's security architecture and how it would support this proposal. It should address how it will protect the security, integrity and confidentiality of the Authority's MS Exchange environment, mailboxes, and data. This section of the Proposal should address the following:

- Methodology to ensure separation of the Authority's data from other organizations supported.
- Access control standards and procedures covering both local and remote access for your staff as well as for the Authority's IT operational support staff (specifically the Authority's Support Desk and IT contract/technical oversight staff).
- MS Windows, Active Directory, MS Exchange and BlackBerry system and administrator account management procedures.
- Frequency of use of third-party security configuration review products and reporting of results to the customer.
- Periodic independent Penetration Testing and reporting of results to the customer.
- Availability of an independent Technology Security Evaluation (SSAE 16 SOC 2, ISO27001, and ISO27002) or equivalent performed by a reputable auditing organization with an indication of the maintenance of such evaluations on a periodic (annual) basis.
- Methodology for compliance with the Authority's Standards & Guidelines for Technology.
- Protection of tapes and files, including off-site storage of the encrypted backup media.
- Security and encryption of any data transmitted or maintained outside of the Authority's network.

- Disclaimer/confidentiality statements attached to each message transmitted from the e-mail system.
- Compliance with the Control requirements documented in Attachment H – Control Requirements
- The Proposer’s commitment and liability in ensuring the integrity, confidentiality and security of the Authority’s MS Exchange environment and data.
- Each Proposer should indicate how they currently monitor the success of their current contracts, including the definition of contract targets/goals and how they are measured.

### Security and Operations Certifications

The Proposer shall provide the Authority with documentation related to any and all security and operations certifications (i.e. SSAE 16 SOC 2, ISO27001, and ISO27002, ISO 9000, ISO 9001, and ISO 9004) current or in progress. If current, advise certification expiration and if in progress, please advise plans and projected timeframe for implementation. If no formal certifications are in place, the Proposer should detail the procedures in place to ensure physical and logical security for client data, staff access, data centers, work locations, etc. as well as for company-wide operational and security standards. The Proposer should also provide details on any plans to obtain various certifications with projected dates.

### G.2.2 Workforce Management Plan

The Proposer shall provide a Workforce Management Plan that clearly indicates the anticipated roles and responsibilities of the Proposer as well as the Proposer’s expectations concerning the Authority’s role. The Workforce Management Plan must describe the Proposer’s intended organizational and operational structure to be employed for contract management. This will include the Contractor’s principal personnel supplying this service and provide a profile of their qualifications, experience and length of time as employees. Indicate the period of time these personnel will be dedicated to the Authority’s account as a duration (from-to) or percentage of time per week expressed in full-time equivalents (FTE) (minimum forty (40) hours/week). The Workforce Management Plan must at a minimum address all items as specified in Attachment D, Scope of Work, Section 1, Management of the Work, contained herein.

The Workforce Management Plan must include the criteria used to determine the number of full time personnel and the processes the Proposer shall employ to ensure proper management and execution of the contract. The Proposer shall also define proposed processes that will be put in place to ensure adequate staffing coverage and the escalation procedures to resolve disputes and technical issues. The processes detailed should include those needed for critical problem resolution where additional staffing and/or experience are required to quickly resolve the problem. The Workforce Management Plan shall include the minimum experience level and qualifications the Proposer would require of

any potential employee who would be assigned to the Authority's account. The Proposer's Workforce Plan should detail any assumptions made regarding the level of effort required of Port Authority resources, both functional and technical, to meet the Scope of Work as specified in Attachment D contained herein.

The Workforce Management Plan must also define the Quality Assurance program, which will be established, and the methods and metrics which will be employed to ensure customer satisfaction with the services being provided and the improvements being made to the quality of the MS Exchange environment. The plan must also identify the processes and performance measures that will be used to measure and track the reduction in maintenance costs and improvements to the Authority's MS Exchange environment which is a goal of this engagement. The Quality Assurance Program should address the metrics and procedures used to ensure the privacy and integrity of the Authority's MS Exchange environment, including access control, disaster recovery, automated security reviews and periodic penetration testing.

The Workforce Management Plan must identify all specialized, not commonly available, or proprietary tools (hardware and software) that will be employed to provide service to the Authority, where and how they will be applied, the service each tool is to provide the Proposer, and the benefits of use to be accrued to the Authority.

The Proposer is encouraged to provide a detailed Workforce Management Plan that clearly exceeds the minimums stated by including and explaining any value-added services that would be provided by the Proposer and how they benefit the Authority. The Workforce Management Plan should present a comprehensive and cohesive strategy to administer the engagement.

### G.2.3 Detailed Hosted Microsoft Exchange E-Mail and Administration Services Plan

The Proposer shall provide a Detailed Hosted Microsoft Exchange E-Mail and Administration Services Plan that addresses at a minimum all of the items as specified in Attachment D, Scope of Work, contained herein.

The Hosted Microsoft Exchange E-Mail and Administration Services Plan must include the performance standards that the Proposer would establish and should include, at a minimum, the maximum time for remedy or correction of system and user problems including any kind of disruption to users or any kind of operational failure at all, or other operational support services. The Hosted Microsoft Exchange E-Mail and Administration Services Plan must identify the processes and/or tools and reports which will be used to measure and report on performance regarding service levels, operational stability, capacity/performance monitoring of the hosted e-mail infrastructure, and change management. The Proposer shall describe monitoring and alerting tools and methodology for the purpose of monitoring the hosted service. The Proposer must make clear in their Proposal exactly how from a technical point of view the Proposer proposes to monitor the

hosted Exchange environment on a 24 x 7 basis as per the service levels and performance standards in this RFP (see Section 2.2). The Proposer must document the proposed process for implementing changes (such as configuration, patches, service packs, and version maintenance). The process must include appropriate testing, quality assurance and approval by Authority personnel. The plan must include a description of the process proposed for development, maintenance, and testing of a disaster recovery plan. The plan must allow for provision of documenting a disaster recovery plan's test results and any action to be taken to resolve any necessary changes. The proposal shall identify the Proposer's experience with other clients. The Proposer should propose all available disaster recovery services it provides. Disaster recovery methods and procedures for minor through major disaster and recovery scenarios should be addressed in this Plan. An example of a minor recovery scenario is the recovery of an individual's mailbox or its contents which may occur once or twice a month. The Proposer shall provide the ability to recover mailbox contents on the individual level following the Authority's e-mail retention policy. Other recovery operations include the recovery from one or more Exchange information stores due to corruption or for multiple mailboxes recovery for such reasons as data corruption, or litigation or investigatory requirements requiring data collection. The Proposer must provide a schematic diagram of how the hosted environment is architected for function and security purposes including customer server back-end and front-end servers, network and security equipment including routers, firewalls, intrusion detection devices, and web access.

The Proposer is encouraged to provide a Detailed Hosted Microsoft Exchange E-Mail and Administration Services Plan which clearly exceeds the minimums stated by including and explaining any value-added services related to hosted managed services and administration services which would be provided by the Proposer, a description of the service, how the service would be made available to the Authority, proposed benefits to the Authority, and any limits on the Proposer's ability to deliver the service. If these value-added services are included in the Hosted Microsoft Exchange E-Mail and Administration Services it should be so stated; if these are at an additional cost, this fact should be noted and corresponding cost information should be provided in the Cost Proposal, [Attachment F](#).

The Proposer shall include a plan for incorporating and maintaining the currency of all hosted managed infrastructure equipment including servers, storage devices/systems, network and security equipment (e.g. firewalls, routers, and switches), including version upgrades, service releases, and anti-spam and anti-virus signature/pattern files. This shall include major upgrades within the same or equivalent operating systems, e.g., Windows 2003 server to Windows 2008 or 2012 server, including the introduction of new technologies in version upgrades, e.g., 32-bit operating system to 64-bit operating system. The Proposer shall identify its methodology for maintaining and changing the production system, its team composition for an upgrade/change, and how, if at all, the upgrade/change would impact the hosted service, the related systems, and the related administration services provided.) The Proposer shall specify in Cost Proposal,

Attachment F any added costs to cover such major version upgrades during the Term of the Contract.

The Proposer shall provide a technical and staffing plan addressing how the Proposer intends to satisfy the system monitoring, alerting, reporting, and problem resolution functions on a 24 x 7 basis as described in Attachment D - Scope of Work.

The Proposer shall also define proposed processes, which will be put in place to ensure adequate staffing coverage and the escalation procedures to resolve contract disputes, services and other technical issues. The processes detailed shall include those needed for critical problem resolution where additional staffing and/or experience are required to resolve quickly the problem.

The Proposer shall describe their current (in-house) testing environment and quality assurance processes, if available for use with this contract, that will be used in support of this contract for hardware and software testing. This segregated test environment shall be isolated from the production environment for testing of all changes prior to introduction to the production environment.

The Proposer shall provide administrative services as described in Attachment D - Scope of Work for all systems for the e-mail environment the Proposer hosts for the Authority. The servers and other support platforms may increase or decrease or otherwise change during the Base Term of the Contract due to technology changes or Authority requirements.

The Proposer must address how remote access administration for the Authority's Support Desk and other IT staff will be supported. The Proposer shall describe in detail their responsibilities versus the Authority's responsibilities for all administration work. The Authority will consider the Proposer's proposal to implement secure remote support for the Authority's IT staff, which meets or exceeds the Authority's security standards. Any costs must be identified in the Cost Proposal, Attachment F.

The Proposer shall describe in detail their infrastructure hardware and software equipment, including servers, network and security equipment, storage devices/systems for provisioning the Hosted MS Exchange E-mail and related services. The Proposer shall describe what tools the Proposer has in place to provide such service levels as described in [Attachment D, Scope of Work, Section 2.2, Service Level Agreement \(SLA\)](#) and to report on Contractor's performance in meeting or exceeding the service levels.

The Proposer shall provide an estimate of the percentage of calls that will be resolved on the first contact with the Proposer's Support Desk.

The Proposer shall submit a plan for providing problem resolution and escalation services for E-mail, BlackBerry, telecommunication circuits, and other service component interruptions.

The Proposer shall state reasonable response time to correct problems or answer “how to” procedures for the Proposer’s Support Desk.

The Proposer shall include all costs for providing Support Desk services, including a toll free number, under this Scope of Work in the cost proposal forms (Attachment F).

As part of the Proposer’s Support Desk described in Attachment D, the Proposer shall provide a call management system to:

- Create incident records for reported problems/requests
- Provide a data repository for all incident records
- Provide for coordination of tickets with the Authority’s separate Support Desk ticketing/tracking system
- Provide reporting to and access by the Authority’s staff to the Authority’s incident records
- Provide the Authority with visibility into the call management system

The technical plan shall identify all hardware and software (whether specialized, not commonly available or proprietary) that will be employed by the Proposer to satisfy the contract requirements.

#### G.2.4 Detailed Start and End of Contract Transition Plans

The Proposer shall provide a Detailed Start of Contract Transition Plan that addresses all the requirements of Attachment D, Scope of Work, and anticipates a short-term transition from the current hosting vendor and environment to the proposed implementation for hosted managed services and administration of the MS Exchange mail and related services. The Proposer should describe the methodology they have used successfully in the past and describe how existing data, and directory and user rights/permissions such as for Exchange delegation, “Send As” rights, and user access rights to restricted public folders, Windows/Active Directory rights and permissions will not be lost. In addition this plan should include the acquisition of telecommunication circuits and implementation of related network equipment.

The Proposer shall provide a Detailed End of Contract Transition Plan that addresses all the requirements of Attachment D, Scope of Work, and anticipates a short-term transition from the Proposer to another hosting vendor and environment for hosted managed services and administration of the MS Exchange mail and related services at the termination or end of the contract. The Proposer shall describe the methodology they have used successfully in the past and describe how existing data, and directory and user

rights/permissions such as for Exchange delegation, “Send As” rights, and user access rights to restricted public folders, Windows/Active Directory rights and permissions will not be lost. The Proposer must propose how the Proposer will guarantee the Authority’s access to all Authority data in the event of termination or expiration of contract.

The Proposer must propose how the Proposer will assist with the transition to a new vendor to minimize service interruption to the Authority in the event of termination or expiration of contract.

The Proposer is expected to provide detailed transition plans and any associated costs. The Proposer should refer to Attachment F3 – Start Up and End of Contracts Costs form, and if needed, Attachment F – Section 1 – Cost Structure Assumptions.

#### G.2.5 Detailed Security, Virus, Spam and Intrusion Protection, Detection and Response Plan

Virus and Spam protection and other security protection from intrusion such as from hackers, spammers, and phishing attacks are integral components of our overall approach to the security and well being of our network and systems environment. Management of and intervention at all possible entry points before damage occurs are critical. Mechanisms are required in the MS Exchange/Outlook environment to ensure persistent detection and correction of viruses, spam, and other security intrusions. These mechanisms must be consistent with the Authority’s corporate strategy of maximizing availability while minimizing negative impact on organizational resources.

The Proposer shall provide a Detailed Security, Virus, Spam, and Host and Network-based Intrusion Protection, Detection and Response Plan that addresses all the requirements of Attachment D, Scope of Work, and addresses the Proposer’s current mechanisms for the security of the environment including protection, detection and correction of electronic mail viruses, spam, and other security intrusions and describes the methodology employed to continually protect against the onslaught of new viruses, spam and security intrusions. The Plan shall include descriptions of software and hardware or added services used to monitor and protect the environment and to respond to viruses, spam, and intrusions and describe the features provided by that software or hardware specifically addressing at least the following areas: virus scanning and cleaning, spam scanning and cleaning/quarantining, Spam Allow/Block Sender lists, control of attachments, content filtering within a message and/or attachment, mailbox exclusion list, user notification and management reporting capabilities, encryption and key management, and certified delivery capabilities. The Plan shall also include methods that would be used to notify Port Authority management of such attacks, and the emergency response procedures that would affect delivery of mail. The Proposer shall describe the methodologies they have used successfully in the past (for example, in protecting and/or responding to the world-wide virus attack of the viruses labeled “Kneber botnet” or DNS

Changer). This Plan shall include service and data recovery methods in the event of data corruption and the mechanisms for incorporating responses to new threats.

### G.3 Cost Proposal

The Proposer must submit a separate Cost Proposal indicating the compensation that it expects to receive. The Cost Proposal should be complete and address all services in this RFP referenced in Attachment D, Scope of Work, contained herein. The Cost Proposal should clearly indicate if any pricing is related to level of service provided. If so, the level of service should be indicated.

### G.4 Background and Integrity Checks

The Proposer shall submit a Contractor Identity Check/Background Screening Plan, which demonstrates how the Proposer will ensure that only employees, subcontractors, principals and concerned related parties who are successfully prescreened and properly credentialed will perform the services herein. This Plan shall be applicable to all years of the Contract and shall include, but not be limited to, the following:

- The length of time researched for the identity check/background screening on new hires, which shall be at a minimum of 10 years of employment history or verification of what an employee, subcontractor, principal or concerned related party documented they have done in the last 10 years preceding the date of the investigation, resources utilized to perform this, and the frequency at which it is performed on current employees;
- The type of investigation conducted, including criminal history background investigation to the extent permitted by law, and other investigatory measures including but not limited to personal, employment and credit history from open public source documents, if any, where permitted by law;
- A listing of the criteria used to determine what activities or records constitute an unacceptable security risk;
- The type of company identification issued and controls utilized to ensure only authorized personnel possess such company identification, including procedures to return identification cards upon termination of employment;
- The length of time required by the Proposer to perform the identity check/background screening and to issue an identification card; details on what constitutes an exception to the identity check/background screening and actions taken as a result thereof.

Proposer employees, subcontractors, principals and concerned related parties may also be subjected to a Criminal History Background check completed by law enforcement in the Port Authority Police Department at the request of the Port Authority.

If utilizing offshore resources, the Proposer shall describe in detail the background checks that those resources are subjected to.

## **H. Acknowledgment of Addenda**

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

If the Proposer downloaded this RFP document, it is the responsibility of the Proposer 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.

## **I. Acceptance of General Contract Provisions**

The Port Authority has attached to this RFP as Attachment B, General Contract Provisions governing the Contract. The Proposer is expected to agree with these General Contract Provisions. However, if the Proposer has any specific exceptions, such exceptions should be set forth in a separate letter included with its response to this RFP. After the proposal due date, the Proposer will be precluded from raising any exceptions unless such exceptions are justified by and directly related to substantive changes in the business or technical requirements and are agreed to by the Proposer and the Port Authority.

## **J. M/WBE Plan**

The Proposer shall submit an M/WBE Plan in accordance with the M/WBE Subcontracting Provisions hereunder.

## **8. CONDITIONS FOR THE SUBMISSION OF A PROPOSAL**

In addition to all other requirements of this RFP, the Proposer agrees to the following conditions for the submission of its proposal.

### **A. Changes to this RFP**

At any time, in its sole discretion, the Port Authority may by written addenda, modify, correct, amend, cancel and/or reissue this RFP. If an addendum is issued prior to the date proposals are due, it will be provided to all parties in the medium in which the parties obtained the RFP. If an addendum is issued after proposals have been received, the addendum will be provided only to those whose proposals remain under consideration at such time.

## **B. Proposal Preparation Costs**

The Port Authority shall not be liable for any costs incurred by the Proposer in the preparation, submittal, presentation, or revision of its proposal, or in any other aspect of the Proposer's pre-contract activity. No Proposer is entitled to any compensation except under an agreement for performance of services signed by an authorized representative of the Port Authority and the Proposer.

## **C. Disclosure of Proposal Contents / Use of Ideas and Materials**

Proposal information is not generally considered confidential or proprietary. All information contained in the proposal is subject to the "Agreement on Terms of Discussion" attached hereto as Attachment A.

## **D. Ownership of Submitted Materials**

All materials submitted in response to or in connection with this RFP shall become the property of the Port Authority. Selection or rejection of a Proposal shall not affect this right.

## **E. Subcontractors**

If a Proposer intends to use subcontractor(s) the Proposer must identify in its proposal the names of the subcontractor(s) and the portions of the work the subcontractor(s) will perform.

## **F. 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. 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.

## **G. Authorized Signature**

Proposals must be signed by an authorized corporate officer (e.g., President or Vice President), General Partner, or such other individual authorized to bind the Proposer to the provisions of its proposal and this RFP.

## **H. References**

The Port Authority may consult any reference familiar with the Proposer regarding its current or prior operations and projects, financial resources, reputation, performance, or other matters. Submission of a proposal shall constitute permission by the Proposer for the Port Authority to make such inquiries and authorization to third parties to respond thereto.

### **I. Evaluation Procedures and Negotiation**

Only Proposers which meet the prerequisites, may have their proposals evaluated based on the evaluation criteria set forth in this RFP. The Port Authority may use such procedures that it deems appropriate to evaluate such proposals. The Port Authority may elect to initiate contract negotiations with one or more Proposers including negotiation of costs/price(s) and any other term or condition, including modifying any requirement of this RFP. The option of whether or not to initiate contract negotiations rests solely with the Port Authority.

### **J. Taxes and Costs**

Purchases of services and tangible personal property by the Port Authority in the States of New York and New Jersey are generally exempt from state and local sales and compensating use taxes, and from most federal excises (Taxes). All costs associated with the Contract must reflect this exemption and be stated in U.S currency.

### **K. Most Advantageous Proposal/No Obligation to Award**

The Port Authority reserves the right to award the Contract to other than the Proposer proposing the lowest price. The Contract will be awarded to the Proposer whose proposal the Port Authority believes, in its sole discretion, will be the most advantageous to the Port Authority. Neither the release of this RFP nor the acceptance of any response thereto shall compel the Port Authority to accept any proposal. The Port Authority shall not be obligated in any manner whatsoever to any Proposer until a proposal is accepted by the Port Authority in the manner provided in the Section of this RFP entitled "Proposal Acceptance or Rejection."

### **L. Multiple Contract Awards**

The Port Authority reserves the right to award multiple Contracts for the products, work and/or services that are the subject matter of this RFP and Proposers are hereby given notice that they may not be the Port Authority's only contractor for such products, work and/or services.

### **M. Right to Extend Contract**

If this is a proposal for a contract for a term of years, including specified options for renewal, the Port Authority reserves the additional right to extend the contract term for an additional 180 days, upon the same terms and conditions of the original Contract negotiated between the Port Authority and the successful Proposer.

**N. Rights of the Port Authority**

- (1) The Port Authority reserves all its rights at law and equity with respect to this RFP including, but not limited to, the unqualified right, at any time and in its sole discretion, to change or modify this RFP, to reject any and all proposals, to waive defects or irregularities in proposals received, to seek clarification of proposals, to request additional information, to request any or all Proposers to make a presentation, to undertake discussions and modifications with one or more Proposers, or to negotiate an agreement with any Proposer or third person who, at any time, subsequent to the deadline for submissions to this RFP, may express an interest in the subject matter hereof, to terminate further participation in the proposal process by a Proposer or to proceed with any proposal or modified proposal, which in its judgment will, under all circumstances, best serve the Port Authority's interest. The Port Authority may, but shall not be obliged to, consider incomplete proposals or to request or accept additional material or information. The holding of any discussions with any Proposer shall not constitute acceptance of a proposal, and a proposal may be accepted with or without discussions.
- (2) No Proposer shall have any rights against the Port Authority arising from the contents of this RFP, the receipt of proposals, or the incorporation in or rejection of information contained in any proposal or in any other document. The Port Authority makes no representations, warranties, or guarantees that the information contained herein, or in any addenda hereto, is accurate, complete, or timely or that such information accurately represents the conditions that would be encountered during the performance of the contract. The furnishing of such information by the Port Authority shall not create or be deemed to create any obligation or liability upon it for any reason whatsoever and each Proposer, by submitting its proposal, expressly agrees that it has not relied upon the foregoing information, and that it shall not hold the Port Authority liable or responsible therefor in any manner whatsoever. Accordingly, nothing contained herein and no representation, statement or promise, of the Port Authority, its directors, officers, agents, representatives, or employees, oral or in writing, shall impair or limit the effect of the warranties of the Proposer required by this RFP or Contract and the Proposer agrees that it shall not hold the Port Authority liable or responsible therefor in any manner whatsoever.
- (3) At any time and from time to time after the opening of the proposals, the Port Authority may give oral or written notice to one or more Proposers to furnish additional information relating to its proposal and/or qualifications to perform the

services contained in this RFP, or to meet with designated representatives of the Port Authority. The giving of such notice shall not be construed as an acceptance of a proposal. Information shall be submitted within three (3) calendar days after the Port Authority's request unless a shorter or longer time is specified therein.

#### **O. No Personal Liability**

Neither the Commissioners of the Port Authority, nor any of them, nor any officer, agent or employee thereof shall be charged personally with any liability by a Proposer or another or held liable to a Proposer or another under any term or provision of this RFP or any statements made herein or because of the submission or attempted submission of a proposal or other response hereto or otherwise.

#### **9. ATTACHMENTS**

- ATTACHMENT A - AGREEMENT ON TERMS OF DISCUSSION
- ATTACHMENT B - GENERAL CONTRACT PROVISIONS
- ATTACHMENT C1 - PROPOSER PREREQUISITE A
- ATTACHMENT C2 – DOCUMENTATION FOR PREREQUISITE B
- ATTACHMENT C2 – DOCUMENTATION FOR PREREQUISITE C
- ATTACHMENT C4 – PROPOSER GENERAL REFERENCE FORM
- ATTACHMENT C5 – RFP CHECKLIST FOR PROPOSERS
- ATTACHMENT D - SCOPE OF WORK
- ATTACHMENT E – TECHNICAL ENVIRONMENT
- ATTACHMENT F – COST PROPOSAL FORMS AND INSTRUCTIONS
- ATTACHMENT G – THE AUTHORITY'S STANDARDS AND GUIDELINES FOR TECHNOLOGY
- ATTACHMENT H – CONTROL REQUIREMENTS
- ATTACHMENT H1 – CONTROL SECURITY REQUIREMENTS
- ATTACHMENT H2 – DISASTER RECOVERY PLAN CHECKLIST
- ATTACHMENT I – PROCUREMENT M/WBE PARTICIPATION PLAN

## ATTACHMENT A - AGREEMENT ON TERMS OF DISCUSSION

The Port Authority’s receipt or discussion of any information (including information contained in any proposal, vendor qualification, ideas, models, drawings, or other material communicated or exhibited by us or on our behalf) shall not impose any obligations whatsoever on the Port Authority or entitle us to any compensation therefor (except to the extent specifically provided in such written agreement, if any, as may be entered into between the Port Authority and us). Any such information given to the Port Authority before, with or after this Agreement on Terms of Discussion (“Agreement”), either orally or in writing, is not given in confidence. Such information may be used, or disclosed to others, for any purpose at any time without obligation or compensation and without liability of any kind whatsoever. Any statement which is inconsistent with this Agreement, whether made as part of or in connection with this Agreement, shall be void and of no effect. This Agreement is not intended, however, to grant to the Port Authority rights to any matter, which is the subject of valid existing or potential letters patent. The foregoing applies to any information, whether or not given at the invitation of the Authority.

Notwithstanding the above, and without assuming any legal obligation, the Port Authority will employ reasonable efforts, subject to the provisions of the Port Authority’s Freedom of Information Code adopted by the Port Authority’s Board of Commissioners on March 29, 2012, which may be found on the Port Authority website at: <http://www.panynj.gov/corporate-information/pdf/foi-code.pdf>, not to disclose to any competitor of the undersigned, information submitted which are trade secrets or is maintained for the regulation or supervision of commercial enterprise which, if disclosed, would cause substantial injury to the competitive position of the enterprise, and which information is identified by the Proposer as proprietary, which may be disclosed by the undersigned to the Port Authority as part of or in connection with the submission of a proposal.

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**(Company)**

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**(Signature)**

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**(Title)**

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**(Date)**

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## **ATTACHMENT B - General Contract Provisions**

### **1. General Agreement**

The undersigned (hereinafter referred to as the "Contractor", the "Vendor", or "you") agrees to provide, and The Port Authority of New York and New Jersey (hereinafter referred to as the "Authority") agrees to purchase Hosted Microsoft Exchange E-Mail and Administration Services; all as more fully set forth in the Scope of Work attached hereto and made a part hereof. The Scope of Work requires the doing of all things necessary or proper for or incidental to the requirements as set forth in the Scope of Work. All things not expressly mentioned in the Scope of Work but involved in carrying out its intent are required by the Scope of Work and the Contractor shall perform the same as though they were specifically mentioned, described and delineated.

Subject only to the provisions of the clause herein entitled "Extra Work", the Contractor's sole compensation in full consideration for the performance of all the Contractor's obligations under this Contract shall be the amount computed in accordance with Attachment F, hereof.

### **2. Definitions**

As used herein, "Director" shall mean the Director of Technology Services Department of the Authority acting either personally or through his duly authorized representatives acting within the scope of the particular authority vested in them unless specifically stated to mean acting personally. For the purpose of administering this Agreement, the Director has designated the Manager, Messaging and Remote Access to act as his duly authorized representative and as System Manager and Contract Manager hereunder.

For the purposes of this agreement the "Contract Manager" shall be the individual designated by the Director with day-to-day responsibility for managing the project on behalf of the Port Authority. The Director may modify this designation in a writing forwarded to the Contractor at the address designated for delivery of notice herein.

As used herein, the term "days" or "calendar days" in reference to a period of time shall mean consecutive calendar days, Saturdays, Sundays, and holidays included. "Work" shall mean all services set forth in the Scope of Work attached hereto.

As used herein, the term “Work Day” shall mean a day between Monday and Friday with Monday and Friday included.

Holidays: The following legal holidays will be observed at Port Authority offices and facilities:

New Year’s Day	Columbus Day
Martin Luther King, Jr. Day	Veteran’s Day
Presidents Day	Thanksgiving Day
Memorial Day	Day After Thanksgiving
Independence Day	Christmas Day
Labor Day	

As used herein, the terms “Port Authority” or “Authority” shall mean The Port Authority of New York and New Jersey.

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 members of 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.

Subcontractor - shall mean anyone who performs work (other than or in addition

to the furnishing of materials, plant or equipment) in connection with the services to be provided hereunder, directly or indirectly for or on behalf of the Contractor (and whether or not in privity of contract with the Contractor), but shall not include any person who furnished merely his own personal labor or his own personal services. "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 of 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.

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 resident aliens.

### **3. General Provisions**

- A. Under no circumstances shall you or your subcontractors communicate in any way with any department, board, agency, commission, or other organization or any person whether governmental or private in connection with the services to be performed hereunder except upon prior written approval and instructions of the Director, provided, however, that data from manufacturers and suppliers of materials, devices and equipment shall be obtained by you when you find such data necessary unless otherwise instructed by the Authority.
- B. Any services performed for the benefit of the Authority at any time by you or on your behalf, even if expressly and duly authorized by the Authority, shall be deemed to be rendered under and subject to this Contract (unless referable to another expressly written, duly executed contract by the same parties), whether such additional services are performed prior to, during or subsequent to the services described herein, and no rights or obligations shall arise out of such additional services except as provided under this Contract.
- C. The Contractor shall observe and obey (and compel its officers, employees, guests, invitees, and those doing business with it, to observe and obey) the rules and regulations of the Port Authority now in effect, and such further rules and regulations which may from time to time during the effective period of this Contract, be promulgated by the Port Authority for reasons of safety, health, preservation of property, or maintenance of a good and orderly

appearance of the Facilities, or for the safe and efficient operation of the Facilities. The Port Authority agrees that, except in cases of emergency, it shall give notice to the Contractor of every rule and regulation hereafter adopted by it.

- D. This Contract does not constitute the Contractor as an agent or representative of the Port Authority for any purpose whatsoever. The Contractor shall perform all services hereunder as an independent contractor and the Contractor, its officers, and employees shall not be deemed to be agents, servants, or employees of the Port Authority.
- E. No certificate, payment, (final or otherwise), acceptance of any work nor any other act or omission of the Authority shall operate to release you from any obligations under or upon this agreement, or to stop the Authority from showing at any time, that such certificate, payment, acceptance, act or omission was incorrect or to preclude the Authority from recovering any monies paid in excess of that lawfully due, whether under mistake of law or fact or to prevent the recovery of any damages sustained by the Authority.
- F. You shall not issue or permit to be issued, any press release, advertisement, or literature of any kind which refers to the Authority or to the fact that services have been, are being or will be performed in connection with this Agreement unless you first obtain the written approval of the Director. Such approval may be withheld if for any reason the Authority believes that the publication of such information would be harmful to the public interest or is in any way undesirable.

#### **4. Duration**

- A. This Contract shall commence upon complete execution of a Contract award letter by the Authority and the Contractor and shall remain in effect for a period of four (4) years (hereinafter the “Base Term”) unless otherwise terminated in accordance with the provisions hereof. The Authority shall have the option to extend this Contract for an additional one three-year option period by written notice to the Contractor at least thirty (30) days prior to the expiration of the Base Term.
- B. The Authority shall also have the option to extend this Contract for up to an additional 180 day period, from the date originally fixed for expiration of the Base Term or any period in effect upon the same terms and conditions except as set forth elsewhere in this Contract, to be effected by written notice to the Contractor received no later than thirty (30) days prior to the expiration date of the Base Term or the expiration date of the option period, if applicable.

- C. All Contract prices for services and for extra work labor shall be applicable to the Base Term.
- D. The Contractor's Compensation for the three year option period shall be adjusted as stated below, but adjustment shall not exceed three (3%) percent per year:
- i) For the first year of the option period of the Contract, the Index for the fourth Quarter 2017 shall be obtained. The compensation for services and Extra Work labor payable in the fourth year of the Base Term of the Contract shall be multiplied by a fraction, the numerator of which shall be said Index for the fourth Quarter of 2017 and the denominator of which shall be said Index for the fourth Quarter of 2016. The resulting product shall be the compensation payable for services and Extra Work labor in the first year of the option period.
  - ii) For the second year of the option period of the Contract, the Index for the fourth Quarter 2018 shall be obtained. The compensation for services and Extra Work labor payable in the first year of the option period of the Contract shall be multiplied by a fraction, the numerator of which shall be the said Index for the fourth Quarter of 2018 and the denominator of which shall be said Index for the fourth Quarter of 2017. The resulting product shall be the compensation payable for services and Extra Work labor in the second year of the option period.
  - iii) For the third year of the option period of the Contract, the Index for the fourth Quarter 2019 shall be obtained. The compensation payable for services and Extra Work labor in the second year of the option period of the Contract shall be multiplied by a fraction, the numerator of which shall be the said Index for the fourth Quarter of 2019 and the denominator of which shall be the number of the said Index for the fourth Quarter of 2018. The resulting product shall be the compensation payable for services and Extra Work labor in the third year of the option period. .
  - iv) The Contractor's compensation for Extra Work labor and service costs for the 180-day extension option shall not be subject to adjustment. Extra Work labor and service costs for the 180-day extension period shall be the same as in effect during the year prior to the start of the 180-day option.
  - v) In the event of a change in the basis for the computation of the said Index or the discontinuance of its publication, such other appropriate index shall be substituted as may be agreed upon by the Authority and the Contractor as properly reflecting changes in the value of the cost of services and Extra

Work labor similar to that established in the said Index. In the absence of such agreement, the Authority shall choose an appropriate substitute index.

- E. The provisions in the foregoing paragraphs with respect to adjustment of compensation may be modified if the Contractor has in the Proposal set forth specific percentage adjustments at which renewal is offered, which are acceptable to the parties or has committed to specific cost reductions during the contract term and extension.

## **5. Extra Work**

Except as specifically hereinafter provided in this numbered clause, the Contractor shall immediately make such changes in or additions to the products and services hereunder and supply such modified or additional products and services as the Authority may direct (“Extra Work”). If such changes or additions are without fault on his part, or on the part of others performing on behalf of the Contractor whether or not in privity of contract with the Contractor, and if solely as a result thereof, the Contractor incurs additional costs in the performance of his obligations hereunder, the Contractor may request compensation for such changes or additions in addition to the compensation provided for elsewhere herein. Agreement by the Authority, if such is forthcoming, shall be in writing. The execution of the aforementioned written agreement shall be a condition precedent to payment of any additional compensation for changes or additions. Accordingly, if the Authority directs the Contractor to make any change in or addition to products or services which entitle him to compensation in addition to that provided for elsewhere herein, he shall not proceed with such changes or additions prior to execution of the aforementioned written agreement except as set forth in the clause hereof entitled “Compensation for Extra Work”.

If, as a result of any changes in or additions to the products or services the Authority directs the Contractor to make, the costs of performance of his obligations hereunder are decreased, the parties agree to make such adjustments by way of reduction in the compensation provided for elsewhere herein as they may deem equitable and reasonable and, in making such adjustments, no allowance shall be made for anticipated profits.

The Director shall have the authority to order Extra Work up to an amount equal to six percent (6%) of the Total Estimated price for the base term plus that for any option years that have been exercised unless the Contractor is advised of a greater authorization in a letter signed by the Authority’s Director of Procurement. Nothing herein shall be construed as a presentation that any changes or additions will be ordered.

## **6. Compensation for Extra Work**

The Director and the Contractor may agree, in writing, on lump sum or other compensation for Extra Work. In the event that no such agreement is reached compensation shall be increased by the sum of the following amounts and such amounts only:

- A. for labor, the applicable hourly rates for extra work set forth in Attachment F4, as same may be escalated in accordance with this contract.
- B. the actual net cost in money of the materials required for the work plus five percent (5%)
- C. in addition to the foregoing, if the extra work is performed by a subcontractor, five percent (5%) of the amounts under (A) and (B). No extra work shall be performed by a subcontractor without the prior written approval of the Director.

## **7. Extra Work Procedures**

Whenever any Extra Work is performed by the Contractor on a basis other than on a lump sum basis, the Contractor shall, as a condition precedent to payment for such work, furnish to the Director or his authorized representative daily time slips showing (a) the name and employee number of each person employed thereon, and the number of hours in each day during which they performed Extra Work; (b) a brief description of the nature of the work performed and a list of material and equipment used and the Port Authority authorized representative who approved the Extra Work. Item (b) shall be supplemented by the Contractor at a later date with a statement indicating from whom materials were purchased and the amount paid therefor. Such daily time slips are for the purpose of enabling the Director or his authorized representatives to determine the accuracy of the amounts claimed by the Contractor.

## **8. Performance of Extra Work**

The provisions of this Contract relating generally to the Work shall apply without exception to any Extra Work required and to the performance thereof, except to the extent that a written order in connection with any particular item of Extra Work may expressly provide otherwise.

## **9. Payments**

Subject to the provisions of this Contract, the Port Authority agrees to pay to the Contractor and the Contractor agrees to accept from the Port Authority as full and complete consideration for the performance of all its obligations under this

Contract and as sole compensation for the Services performed by the Contractor hereunder, a compensation calculated from the services performed and the respective unit prices inserted by the Contractor in the Cost Proposal Forms in Attachment F, forming a part of this Contract.

The manner of submission of all bills for payment to the Contractor by the Authority for Services rendered under this Contract shall be subject to the approval of the Contract Manager in all respects, including, but not limited to, format, breakdown of items presented and verifying records. All computations made by the Contractor and all billing and billing procedures shall be done in conformance with the following procedures:

- a) Payment shall be made in accordance with the prices for the applicable service (during the applicable Contract year) as they appear in Attachment F, Cost Proposal Forms, minus any deductions for services not performed and/or any liquidated damages to which the invoice may be subject and/or any adjustments as may be required pursuant to increases and decreases in areas or frequencies, if applicable. All Services must be completed within the time frames specified or as designated by the Contract Manager. The Contractor shall submit to the Contract Manager by the fifth day of each month following the month of commencement of this Contract and on or by the fifth day of each month thereafter (including the month following the termination, revocation or expiration of this Contract) complete and correct invoice(s) for the performance of Services, including any one-time start up, entry or termination transition / migration costs related to the beginning or end of the contract (labeled “Transition Costs”), in the prior month accompanied by such information as may be required by the Contract Manager for verification. Payment for non-transition services will not begin until the start up transition period has ended (i.e; all mailboxes migrated from the current vendor and normal services are available to staff from the Contractor). The invoice must show the Contractor's Federal Tax Identification Number. Payment will be made within thirty (30) days of Authority verification of the invoice. No certificate, payment, acceptance of any Services or any other act or omission of any representative of the Authority shall operate to release the Contractor from any obligation under or upon this Contract, or to stop the Authority from showing at any time that such certificate, payment, acceptance, act or omission was incorrect or to preclude the Authority from recovering any monies paid in excess of those lawfully due and any damage sustained by the Authority.
- b) In the event an audit of received invoices should indicate that the correct sum due the Contractor for the relevant billing period is less than the amount actually paid by the Authority, the Contractor shall

pay to the Authority the difference promptly upon receipt of the Authority's statement thereof. The Authority may, however, in its discretion elect to deduct said sum or sums from any subsequent payments payable to the Contractor hereunder.

“Final Payment”, as the term is used throughout this Contract, shall mean the final payment made for services rendered in the last month of the Contract Term. However should this Contract be terminated for any reason prior to the last month of the Contract Term, then Final Payment shall be the payment made for services rendered in the month during which such termination becomes effective.

The Contractor's acceptance of any payment, including Final Payment, shall act as a full and complete release to the Authority of all claims of and of all liability to the Contractor for all things done or furnished in connection with this Contract and for every act and neglect of the Authority and others relating to or arising out of this Contract, including claims arising out of breach of contract and claims based on claims of third persons. No payment, however, final or otherwise shall operate to release the Contractor from any obligations in connection with this Contract.

The Contractor shall submit all invoices to the following:

The Port Authority of New York & New Jersey  
Technology Services Department  
Two Montgomery Street, 5th Floor  
Jersey City, New Jersey 07302  
Attn: Richard Knauer

The Authority shall, at the receipt of the Contractor's invoice and upon certification to the Authority and the Contractor by the Director (after receipt from the Contractor of such additional information as the Director may require), pay to the Contractor by check payments within 30 days after certification of the Contractor's invoices by the Director.

## **10. Intellectual Property**

A. Except as provided below: as between the Port Authority and the Contractor all User Guides, Training Manuals and tutorials, Quick Reference Cards, procedures, documentation, estimates, reports, records, data, charts, documents, models, designs, renderings, drawings, specifications, photographs, computations, computer tapes or discs, and other documentation of any type whatsoever, whether in the form of writing, figures or

delineations, which are prepared or compiled in connection with this Agreement, shall become the exclusive property of the Authority, and the Authority shall have the exclusive 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 for herein. With regard to training manuals the Authority shall expressly have the right to use, alter and reproduce including electronically, said manuals for its internal business purposes. The Contractor hereby warrants and represents that the Authority will have at all times the ownership and rights provided for in the immediately preceding sentence free and clear of all claims of third persons whether presently existing or arising in the future and whether presently known to either of the parties to this Agreement or not. Any information given to the Port Authority before, with or after submission of the Agreement on Terms of Discussion, either orally or in writing, is not given in confidence and may be used, or disclosed to others, for any purpose at any time without obligation or compensation and without liability of any kind whatsoever except as otherwise set forth in the Agreement On Terms Of Discussion.

- B. All pre-existing information or documentation including computer programs or code including source code, of the Contractor, utilized by the Contractor hereunder in the performance of his services hereunder shall be deemed licensed to the Authority for the duration and purposes of this agreement, but shall remain the property of the Contractor.
- C. When in the performance of the Contract the Contractor utilizes passwords or codes for any purpose, the Contractor, upon written request by the Authority, made at any time during or after the performance of such services, shall promptly make available to the designated Authority representative all such passwords and codes.
- D. Third party software not specially prepared for the purpose of this agreement but utilized by the Contractor hereunder in the performance of his services hereunder shall be licensed to the Contractor and the Authority for the duration and purposes of this agreement but shall remain the property of said third party.
- E. The above-described software shall be furnished by the Contractor without additional compensation.
- F. For all services, the Contractor has to furnish its own hardware, software, maintenance agreements, and licenses except as otherwise provided.

## **11. Proprietary Rights in Subject Matter Not Within the Intellectual Property Clause**

If in accordance with this Contract the Contractor furnishes research, development or consultative services in connection with the performance of the Work and if in the course of such research, development, or consultation patentable or copyrightable subject matter or trade secrets or other proprietary matter is produced by the Contractor, its officers, agents, employees, subcontractors, or suppliers, not custom software and not covered under the clause hereof entitled “Intellectual Property”, 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. 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 it is expressly understood and agreed that 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 operations of or ownership of any facility now or hereafter operated by the Authority but such license shall not be otherwise transferable.

The right of the Authority as well as the Contractor to use all patented material, compositions of matter, manufactures, apparatus, appliances, processes of manufacture or types of construction as well as any copyrightable matter, trade secrets or other proprietary matters, shall be obtained by the Contractor without separate or additional compensation whether the same is patented or copyrighted before, during or after the performance of the Work.

## **12. Indemnity in Regard to Infringement Matter**

The Contractor shall indemnify the Authority against and save it harmless from all loss and expense incurred in the defense, settlement or satisfaction of any claims in the nature of patent, copyright, or other proprietary rights infringement arising out of or in connection with the Authority’s use, in accordance with the two immediately preceding clauses of any matter protected as intellectual property. If requested by the Authority and if notified promptly in writing of any such claims, 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 proprietary rights 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 proprietary rights and if the Contractor shall fail to do so, the Contractor shall, at its expense, remove all such facilities and refund the cost thereof to the Authority and otherwise equitably adjust compensation and take such steps as may be necessary to ensure compliance by the Authority with such injunction, to the satisfaction of the Authority.

The Contractor shall promptly and fully inform the Director of any claims or disputes for infringement or otherwise, whether existing or potential, of which it has knowledge relating to any Intellectual Property used, developed or licensed in connection with the performance of the Work or otherwise in connection with this Contract.

If so directed, the Contractor shall at its own expense defend any suit based upon any 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, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provision of any statutes respecting suits against the Port Authority.

### **13. Compliance with Web Site Terms of Use and Privacy Policies**

Subject to all of the provisions of this Contract including, without limitation, the obligations of the Contractor under the section hereof entitled “Indemnification”, the Contractor shall, and shall compel its employees, agents and subcontractors, to strictly abide by and comply with the policies established by the Authority governing the use of the Authority’s web sites as set forth in the Authority web sites “Terms of Use and Privacy Statement” as the same may be supplemented or amended. The Contractor shall immediately implement all procedures in connection with such policies and in furtherance thereof as directed by the Authority.

### **14. Time is of the Essence**

The Contractor's obligations for the performance and completion of all work within the time or times provided for in this Contract are of the essence of this Contract.

### **15. Final Payment**

After satisfactory completion of all services required hereunder, and upon receipt from the Contractor of such information as may be required, the Director shall certify in writing to the Contractor the total compensation earned by the Contractor. If so required, the Contractor shall thereupon furnish to the Authority a detailed sworn statement of all claims, just and unjust, of subcontractors, materialmen and other third persons then outstanding which he has reason to believe may thereafter be made on account of the services provided under this Contract. Within thirty (30) 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 and if such date is later), the Port Authority shall pay to the Contractor 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. The acceptance by the Contractor, or by anyone claiming by or through him, of the 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 this contract and for every act and neglect of the Authority and others relating to or arising out of the this contract, including claims arising out of breach of the contract and claims based on claims of third persons.

The Contractor's agreement as provided in the immediately preceding paragraph 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 shall nevertheless be effective. Such release shall include all claims, whether or not in litigation and even though still under consideration by the Authority. 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.

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.

**16. Default, Revocation or Suspension of Contract**

A. If one or more of the following events shall occur:

1. Fire or other event which destroys all or a substantial part of the Facility, asset or infrastructure necessary to perform the Scope of Work;
2. Any governmental agency shall condemn or take a temporary or permanent interest in all or a substantial part of the Facility, or all of a part of the Port Authority's interest herein;

then upon the occurrence of such event or at any time thereafter during the continuance thereof, the Port Authority shall have the right on twenty-four (24) hours written notice to the Contractor to revoke this Contract, such revocation to be effective upon the date and time specified in such notice.

In such event this Contract shall cease and expire on the effective date of revocation as if said date were the date of the expiration of this Contract. Such revocation shall not, however, relieve the Contractor of any liabilities or obligations hereunder which shall have accrued on or prior to the effective date of revocation.

B. If one or more of the following events shall occur:

1. The Contractor shall become insolvent, or shall take the benefit of any present or future insolvency statute, or shall make a general assignment for the benefit of creditors, or file a voluntary petition in bankruptcy or a petition or answer seeking an arrangement or its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws or under any other law or statute of the United States or of any State thereof, or consent to the appointment of a receiver, trustee, or liquidator of all or substantially all its property; or
2. By order or decree of a court the Contractor shall be adjudged bankrupt or an order shall be made approving a petition filed by any of the creditors, or, if the Contractor is a corporation, by any of the stockholders of the Contractor, seeking its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws or under any law or statute of the United States or of any State thereof; or
3. A petition under any part of the federal bankruptcy laws or an action under any present or future insolvency law or statute shall be filed against the

Contractor and shall not be dismissed within thirty (30) days after the filing thereof; or

4. The interest of the Contractor under this Contract shall be transferred to, passed to or devolve upon, by operation of law or otherwise, any other person, firm or corporation; or
5. The Contractor, if a corporation, shall, without the prior written approval of the Port Authority, become a surviving or merged corporation in a merger, a constituent corporation in a consolidation, or a corporation in dissolution; or
6. If the Contractor is a partnership, joint-venture, or similar arrangement (referred to herein for convenience as the “partnership”), and the said partnership shall be dissolved as the result of any act or omission of its copartners or any of them, or by operation of law or the order or decree of any court having jurisdiction, or for any other reason whatsoever; or
7. By or pursuant to, or under authority of any legislative act, resolution or rule, or any order or decree of any court or governmental board, agency or officer having jurisdiction, a receiver, trustee, or liquidator shall take possession or control of all or substantially all of the property of the Contractor and such possession or control of all or substantially all of the property of the Contractor and shall continue in effect for a period of fifteen (15) days;

then upon the occurrence of any such event or at any time thereafter during the continuance thereof, the Port Authority shall have the right upon five (5) days notice to the Contractor to terminate this Contract and the rights of the Contractor hereunder; termination to be effective upon the date and time specified in such notice as if said date were the date of the expiration of this Contract. Termination shall not relieve the Contractor of any liabilities or obligations hereunder which have accrued on or prior to the effective date of termination.

C. If any of the following shall occur:

1. The Contractor shall cease, abandon any part of the service, desert, stop or discontinue its services in the premises for any reason whatsoever and regardless of the fault of the Contractor; or
2. The Contractor shall fail to keep, perform and observe each and every other promise, covenant and agreement set forth in this Contract on its part to be kept, performed or observed, within five (5) days after receipt of notice of default thereunder from the Port Authority (except where fulfillment of its obligations requires activity over a greater period of time, and the Contractor shall have commenced to perform whatever may be required for fulfillment within five (5) days after receipt of notice and continues such

performance without interruption except for causes beyond its control);

then upon the occurrence of any such event or during the continuance thereof, the Port Authority shall have the right on twenty four (24) hours notice to the Contractor to terminate this Contract and the rights of the Contractor hereunder, termination to be effective upon the date and time specified in such notice. Termination shall not relieve the Contractor of any liabilities, which shall have accrued on or prior to the effective date of termination.

- D. If any of the events enumerated in this Section shall occur prior to commencement date of this Contract the Port Authority upon the occurrence of any such event or any time thereafter during the continuance thereof by twenty-four (24) hours notice may terminate or suspend this Contract and the rights of the Contractor hereunder, such termination or suspension to be effective upon the date specified in such notice.
- E. No payment by the Port Authority of any monies to the Contractor for any period or periods after default of any of the terms, covenants or conditions hereof to be performed, kept and observed by the Contractor and no act or thing done or omitted to be done by the Port Authority shall be deemed to be a waiver of the right of the Port Authority to terminate this Contract or of any other right or remedies to which the Port Authority may be entitled because of any breach thereof. No waiver by the Port Authority of any default on the part of the Contractor in the performance of any of the terms, covenants and conditions hereof to be performed, kept or observed by the Contractor shall be or be construed to be a waiver by the Port Authority of any other subsequent default in the performance of any of the said terms, covenants and conditions.
- F. In addition to all other rights of revocation or termination hereunder and notwithstanding any other provision of this Contract the Port Authority may terminate this Contract and the rights of the Contractor hereunder without cause at any time upon five (5) days written notice to the Contractor and in such event this Contract shall cease and expire on the date set forth in the notice of termination as fully and completely as though such dates were the original expiration date hereof and if such effective date of termination is other than the last day of the month, the amount of the compensation due to the Contractor from the Port Authority shall be prorated when applicable on a daily basis. Such cancellation shall be without prejudice to the rights and obligations of the parties arising out of portions already performed but no allowance shall be made for anticipated profits.
- G. Any right of termination contained in this section, shall be in addition to and not in lieu of any and all rights and remedies that the Port Authority shall have at law or in equity consequent upon the Contractor's breach of this Contract and shall be without prejudice to any and all such other rights and remedies. It is hereby specifically agreed and understood that the exercise by the Port

Authority of any right of termination set forth in this paragraph shall not be or be deemed to be an exercise by the Port Authority of an election of remedies so as to preclude the Port Authority from any right to money damages it may have for the period prior to the effective date of termination to the original expiration date of the Contract, and this provision shall be deemed to survive the termination of this Contract as aforesaid.

- H.. If (1) the Contractor fails to perform any of its obligations under this Contract or any other contract between the Port Authority and the Contractor (including its obligation to the Port Authority to pay any claim lawfully made against it by any supplier, subcontractor or worker or other person which arises out of or in connection with the performance of this Contract or any other contract with the Port Authority) or (2) any claim (just or unjust) which arises out of or in connection with this Contract or any other contract between the Port Authority and the Contractor is made against the Port Authority or (3) any subcontractor under this Contract or any other contract between the Port Authority and the Contractor fails to pay any claims lawfully made against it by any supplier, subcontractor, worker or other third person which arises out of or in connection with this Contract or any other contract between the Port Authority and the Contractor or if in the opinion of the Port Authority any of the aforesaid contingencies is likely to arise, then the Port Authority shall have the right, in its discretion, to withhold out of any payment (final or otherwise) such sums as the Port Authority 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 Port Authority 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 Port 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 Port Authority does not intend to exercise its right with respect to such contingency. Neither the above provisions for rights of the Port Authority to withhold and apply monies nor any exercise or attempted exercise of, or omission to exercise, such rights by the Port Authority shall create any obligation of any kind to such supplier, subcontractors, worker or other third persons. If, however, the payment of any amount due the Contractor shall be improperly delayed, the Port Authority shall pay the Contractor interest thereon at the rate of 6% per annum for the period of the 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.
- I. If the Port Authority has paid any sum or has incurred any obligation or expense which the Contractor has agreed to pay or reimburse the Port Authority, or if the Port Authority is required or elects to pay any sum or sums or incurs any obligations or expense by reason of the failure, neglect or refusal of the Contractor to perform or fulfill any one or more of the conditions,

covenants, or agreements contained in this Contract, or as a result of an act of omission of the Contractor contrary to the said conditions, covenants and agreements, the Contractor shall pay to the Port Authority the sum or sums so paid or expense so incurred, including all interests, costs and damages, promptly upon the receipt of the Port Authority's statement therefore. The Port Authority may, however, in its discretion, elect to deduct said sum or sums from any payment payable by it to the Contractor.

- J. If the Port Authority pays any installment to the Contractor without reducing said installment as provided in this Contract, it may reduce any succeeding installment by the proper amount, or it may bill the Contractor for the amount by which the installment paid should have been reduced and the Contractor shall pay to the Port Authority any such amount promptly upon receipt of the Port Authority's statement therefore.
- K. 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 clause.
- L. The Port Authority shall also have the rights set forth above in the event the Contractor shall become insolvent or bankrupt or if his affairs are placed in the hands of a receiver, trustee or assignee for the benefit of creditors.

## **17. Contractor Personnel Standards of Performance**

The Contractor shall furnish sufficiently trained management, supervisory, technical and operating personnel to perform the services required of the Contractor under this Contract. If, in the opinion of the Director, any of the Contractor's personnel are not satisfactory in the performance of services to be furnished hereunder, the Contractor shall remove such personnel and replace them with personnel satisfactory to the Director.

At the time the Contractor is carrying out its operations there may be other persons working physically in the vicinity or in the same logical or technical infrastructure. The Contractor shall so conduct its operations as to work in harmony and not endanger, interfere with or delay the operations of others, all to the best interests of the Authority and others and as may be directed by the Director.

## **18. High Security Areas**

- A. Services under the Contract may be required in high security areas, as the same may be designated by the Manager from time to time. The Port Authority shall require the observance of certain security procedures with respect to the high security areas, which may include the escort to, at, and/or

from said high security areas by security personnel designated by the Contractor or any subcontractor's personnel required to work therein.

- B. Twenty-four hours prior to the proposed performance of any work in a high security area, the Contractor shall notify the Manager. The Contractor shall conform to the procedures as may be established by the Manager from time to time and at any time for access to high security areas and the escorting of personnel hereunder. Prior to the start of work, the Contractor shall request a description from the Manager of the high security areas which will be in effect on the commencement date. The description of high security areas may be changed from time to time and at any time by the Manager during the term of the Contract.

## **19. 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 identity verification for all employees of the Contractor and subcontractors shall be completed prior to being provided a S.W.A.C. ID Photo Identification credential.
- 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.

## **20. Insurance Procured By the Contractor**

The Contractor shall take out, maintain, and pay the premiums on Commercial General Liability Insurance, including but not limited to premises-operations, products-completed operations, and independent contractors coverage, with contractual liability language covering the obligations assumed by the Contractor under this Contract and, if vehicles are to be used to carry out the performance of this Contract, then the Contractor shall also take out, maintain, and pay the premiums on Automobile Liability Insurance covering owned, non-owned, and hired autos in the following minimum limits:

**Commercial General Liability Insurance** - \$ 5 million combined single limit per occurrence for bodily injury and property damage liability.

**Automobile Liability Insurance** - \$ 5 million combined single limit per accident for bodily injury and property damage liability.

In addition, the liability policy (ies) shall name The Port Authority of New York & New Jersey, its related entities, their commissioners, directors, officers, partners, employees, agents and Trends Urban Renewal Ltd as additional insured, including but not limited to premises-operations, products-completed operations on the Commercial General Liability Policy. Moreover, the Commercial General Liability Policy shall not contain any provisions for exclusions from liability other than provisions for exclusion 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 separation of insured conditions and severability of interests clauses for all policies. These insurance requirements shall be in effect for the duration of the contract to include any

warrantee /guarantee period and any maintenance period . An act or omission of one of the insureds shall not reduce or void coverage to the other insureds. Furthermore, the Contractor’s insurance shall be primary insurance as respects to the above additional insureds. Any insurance or self-insurance maintained by the above additional insureds shall not contribute to any loss or claim

**The certificate of insurance and liability policy (ies) must contain the following endorsement for the above liability coverages:**

*“The insurer(s) shall not, without obtaining the express advance written 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.”*

The Contractor shall also take out, maintain, and pay premiums on **Workers’ Compensation Insurance** in accordance with the requirements of law in the state(s) where work will take place, and Employer’s Liability Insurance with limits of not less than \$1 million each accident.

**Each policy above shall contain a provision that the policy may not be canceled, terminated, or modified without thirty (30) days’ prior written notice to the Port Authority of NY and NJ, Att: Facility Contract Administrator, at the location where the work will take place and to the General Manager, Risk Financing.**

The Port Authority may at any time during the term of this agreement change or modify the limits and coverages of insurance. Should the modification or change results in an additional premium, The General Manager, Risk Financing for the Port Authority may consider such cost as an out-of-pocket expense.

Within five (5) days after the award of this agreement or contract and prior to the start of work, the Contractor must submit an original certificate of insurance, to the Port Authority of NY and NJ, Facility Contract Administrator, at the location where the work will take place. This certificate of insurance MUST show evidence of the above insurance policy (ies), stating the agreement/contract number prior to the start of work. The General Manager, Risk Financing must approve the certificate(s) of insurance before any work can begin. Upon request by the Port Authority, the Contractor shall furnish to the General Manager, Risk Financing, a certified copy of each policy, including the premiums.

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.

Renewal certificates of insurance or policies shall be delivered to the Contract Manager, 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.

The requirements for insurance procured by the Contractor shall not in any way be construed as a limitation on the nature or extent of the contractual obligations assumed by the Contractor under this contract. The insurance requirements are not a representation by the Authority as to the adequacy of the insurance to protect the Contractor against the obligations imposed on them by law or by this or any other Contract. *[CITS# 4295N ]*

## **21. Assignments and Subcontracts**

Any assignment or other transfer by the Contractor of this Contract or any part hereof or of any of his rights hereunder or of any monies due or to become due hereunder and any delegation of any of his duties hereunder without the express written consent of the Director shall be void and of no effect as to the Authority, provided, however, that the Contractor may subcontract portions of the Work to such persons as the Director, may, from time to time, expressly approve in writing. For each individual, partnership or corporation proposed by the Contractor as a subcontractor, the Contractor shall submit to the Authority a certification or, if a certification cannot be made, a statement by such person, partnership or corporation to the same effect as the certification or statement required from the Contractor pursuant to the clauses of the "Integrity" Section entitled "Certification of No Investigation Indictment, Conviction, Debarment Suspension, Disqualification and Disclosure of Other Information and "Non-Collusive Bidding and Code of Ethics Certification; Certification of No Solicitation Based on Commission, Percentage, Brokerage Contingent or Other Fee". All further subcontracting by any subcontractor shall also be subject to such approval of the Director.

No consent to any assignment or other transfer, and no approval of any subcontractor, shall under any circumstances operate to relieve the Contractor of any of his obligations; no subcontract, no approval of any subcontractor and no act or omission of the Authority or the Director shall create any rights in favor of such subcontractor

and against the Authority; and as between the Authority and the Contractor, all assignees, subcontractors, and other transferees shall for all purposes be deemed to be agents of the Contractor. Moreover, all subcontractors and all approvals of subcontractors, regardless of their form, shall be deemed to be conditioned upon performance by the subcontractor in accordance with this Contract; and if any subcontractor shall fail to perform the Contract to the satisfaction of the Director, the Director shall have the absolute right to rescind his approval forthwith and to require the performance of the Contract by the Contractor personally or through other approved subcontractors.

## **22. Certain Contractor's Warranties**

The Contractor represents and warrants:

- a. That it is financially responsible and experienced in, and competent to perform this Contract; that no representation, promise or statement, oral or in writing, has induced it to submit its Proposal, saving only those contained in the papers expressly made part of this Contract; that the facts stated or shown in any papers submitted or referred to in connection with his Proposal 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, 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 investigations 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 Commissioner, officer, agent or employee of the 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 Authority, its 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, existence or location of materials, structures, obstructions, utilities or conditions, which may be encountered at the installation sites; (3) the nature, quantity, quality or size of the materials, equipment, labor and other facilities needed for the

performance of this Contract; (4) the general or local conditions which may in any way affect this Contract or its performance; (5) the price of the Contract; or (6) any other matters, whether similar to or different from those referred to in (1) through (5) 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.

- f. That, notwithstanding any requirements of this Contract, any inspection or approval of the Contractor's services by the Authority, or the existence of any patent or trade name, the Contractor nevertheless warrants and represents that the services and any intellectual property supplied to the Authority hereunder shall be of the best quality and shall be fully fit for the purpose for which they are to be used. The Contractor unconditionally guarantees against defects or failures of any kind, including defects or failures in design, workmanship and materials, excepting solely defects or failures which the Contractor demonstrates to the satisfaction of the Authority have arisen solely from accident, abuse or fault of the Authority occurring after issuance of Final Payment hereunder and not due to fault on the Contractor's part. In the event of defects or failures in said services, or any part thereof, then upon receipt of notice thereof from the Authority, the Contractor shall correct such defects or failures as may be necessary or desirable, in the sole opinion of the Authority, to comply with the above guaranty.
- g. Moreover, the Contractor accepts the conditions at the sites of 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. The Authority is responsible for all facility power.
- h. Nothing in the Scope of Work 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. Moreover, the Authority does not warrant or represent either by issuance of the Scope of Work or by any provision of this Contract as to time for performance or completion or otherwise that the Contract may be performed or completed by the times required herein or by any other times.
- i. The Contractor further represents and warrants that it was given ample opportunity and time and by means of this paragraph was requested by the Authority to review thoroughly all documents forming this Contract prior to execution of 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.

- j. The Contractor further recognizes that the provisions of this 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.

### **23. 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 him to cancel or rescind it or (unless the Director shall so direct) to suspend or abandon performance.

### **24. Tax Exemptions**

Purchases of services and tangible personal property by the Port Authority are exempt from New York and New Jersey State and local sales and compensating use taxes (Sales Taxes). Therefore, the Port Authority's purchase of the Contractor's services under this Contract is exempt from Sales Taxes. Accordingly, the Contractor must not include Sales Taxes in the price charged to the Port Authority for the Contractor's services under this Contract.

### **25. Not Used**

### **26. Notice Requirements**

No claim against the Authority shall be made or asserted in any action or proceeding at law or in equity, and the Contractor shall not be entitled to allowance of such claim, unless the Contractor shall have complied with all requirements relating to the giving of written notice and of information with respect to such claim as provided in this clause. The failure of the Contractor to give such written notice and information as to any claim shall be conclusively deemed to be a waiver by the Contractor of such claim, such written notice and information being conditions precedent to such claim. As used herein "claim" shall include any claim arising out of this Contract (including claims in the nature of breach of contract or fraud or misrepresentation before or subsequent to execution of this Contract and claims of a type which are barred by the

provisions of this Contract) for damages, payment or compensation of any nature or for performance of any part of this Contract.

The requirements as to the giving of written notice and information with respect to claims shall be as follows:

- A. In the case of any claims for which requirements are set forth elsewhere in this Contract as to notice and information, such requirements shall apply.
- B. In the case of all other types of claims, notice shall have been given to the Director, as soon as practicable, and in any case within forty eight (48) hours after occurrence of the act, omission, or other circumstances upon which the claim is or will be based, stating as fully as practicable at the time all information relating thereto. Such information shall be supplemented with any further information as soon as practicable after it becomes or should become known to the Contractor, including daily records showing all costs which the Contractor may be incurring or all other circumstances which will affect any claim to be made which records shall be submitted to the Authority.
- C. The above requirements for notices and information are for the purpose of enabling the Authority to avoid waste of public funds by affording it promptly the opportunity to cancel or revise any order, change its plans, mitigate or remedy the effects of circumstances giving rise to a claim or take such other action as may seem desirable and to verify any claimed expense or circumstance as they occur and the requirements herein for such notice and information are essential to this Contract and are in addition to any notice required by statute with respect to suits against the Authority.

The above referred to notices and information are required whether or not the Authority is aware of the existence of any circumstances which might constitute a basis for a claim and whether or not the Authority has indicated it will consider a claim.

No, act, omission or statement of any kind shall be regarded as a waiver of any of the provisions of this clause or may be relied upon as such waiver except only either a written statement signed by the Executive Director of the Authority or a resolution of the Commissioners of the Authority expressly stating that a waiver is intended as to any particular provision of this clause, and more particularly, no discussion, negotiation, consideration, correspondence or requests for information with respect to a claim by any Commissioner, officer, employees or agent of the Authority shall be construed as a waiver of any provision of this clause or as authority or apparent authority to effect such a waiver.

Since merely oral notice or information may cause disputes as to the existence or substance thereof, and since notice, even if written, to other than the Authority representative above designated to receive it may not be sufficient to come to the attention of the representative of the Authority with the knowledge and responsibility of dealing with the situation, only notice and information

complying with the express provisions of this clause shall be deemed to fulfill the Contractor's obligation under this Contract.

**27. Service Of Notices on the Contractor**

Whenever provision is made in this Contract for the giving of any notice to the Contractor, its deposit in any post office box, enclosed in a postpaid wrapper addressed to the Contractor at his/her office, or its delivery to his/her office, shall be sufficient service thereof as of the date of such deposit or delivery, except to the extent, if any, otherwise provided in the clause entitled "Submission to Jurisdiction". Until further notice to the Authority the Contractor's office will be that stated in his/her Proposal. Notices may also be served personally upon the Contractor; or if a corporation, upon any officer, director or managing or general agent; or if a partnership upon any partner.

**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. Indemnification and Risks Assumed by the Contractor**

To the extent permitted by law, the Contractor shall indemnify and hold harmless the Port Authority, its Commissioners, officers, representatives and employees from and against all claims and demands, just or unjust, of third persons (including 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, of third persons, 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 or from any other cause, excepting only risks occasioned solely by affirmative willful acts of the Port Authority 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:

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, 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 may, at its option, perform any of the foregoing work and the Contractor shall pay to the Port Authority the cost thereof.

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.

The risk of claim, whether made against the Contractor or 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.

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 or 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, its 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 the approval by the Port Authority of the methods of performance hereunder nor the failure of 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 of 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.

The provisions of this numbered clause shall also be for the benefit of the Commissioners, officers, agents, and employees of the Authority, so that they shall have all the rights which they would have under this numbered clause if they were named at each place above at which the Authority is named, including

a direct right of action against the Contractor to enforce the foregoing indemnity, except, however, that the Authority acting through its Commissioners may at any time in its sole discretion and without liability on its part cancel the benefit conferred on any of them by this numbered clause, whether or not the occasion for invoking such benefit has already arisen at the time of such cancellation.

Neither the Authority's acceptance of the performance by the Contractor in part or in whole, nor the making of a payment shall release the Contractor from its obligations under this numbered clause.

Moreover, neither the enumeration in this numbered clause nor the enumeration elsewhere in this Contract of particular risks assumed by the Contractor or of particular claims for which it is responsible shall be deemed (a) to limit the effect of the provisions of this numbered clause or of any other clause of this Contract relating to such risks or claims, (b) to imply that it assumes or is responsible for risks or claims only of the type enumerated in this numbered clause or in any other clause of this Contract, or (c) to limit the risks which it would assume or the claims for which it would be responsible in the absence of such enumerations.

### **30. Submission to Jurisdiction**

This Contract shall be construed in accordance with the laws of the State of New York. The Contractor hereby consents to the exercise by the courts of the States of New York and New Jersey of jurisdiction *in personam* over it with respect to any matter arising out of or in connection with this Contract and waives any objection to such jurisdiction which it might otherwise have; and the Contractor agrees that mailing of process by registered mail addressed to it at the address of the Contractor set forth in the Proposal, shall have the same effect as personal service within the States of New York or New Jersey upon a domestic corporation of said State.

### **31. Authority of the Director**

Inasmuch as the public interest requires that the Project to which this Contract relates shall be performed in the manner which the Authority, acting through the Director deems best, the Director shall have absolute authority to determine what is or is not necessary or proper for or incidental thereto and the Specifications shall be deemed merely the Director's present determination on this point. In the exercise of this authority, the Director shall have power to alter the Specifications, to require the performance of Work not required by them in their present form, even though of a totally different character from that required, and to vary, increase and diminish the character, quantity and quality of, or to countermand any Work now or hereafter required. If at any time it shall be, from the viewpoint of the Authority, impracticable or undesirable in the

judgment of the Director to proceed with or continue the performance of the Contract or any part thereof, whether or not for reasons beyond the control of the Authority, the Director shall have authority to suspend performance of any part or all of the Contract until such time as the Director may deem it practicable or desirable to proceed. Moreover, if at any time it shall be, from the viewpoint of the Authority impracticable or undesirable in the judgment of the Director to proceed with or continue the performance of the Contract or any part thereof for reasons within or beyond the control of the Authority, the Director shall have authority to cancel this Contract as to any or all portions not yet performed and as to any materials not yet installed even though delivered. Such cancellation shall be without prejudice to the rights and obligations of the parties arising out of portions already satisfactorily performed, but no allowance shall be made for anticipated profits. To resolve all disputes and to prevent litigation, the parties to this Contract authorize the Director to decide all questions of any nature whatsoever arising out of, under, or in connection with, or in any way related to or on account of, this Contract (including claims in the nature of breach of contract or fraud or misrepresentation before or subsequent to acceptance of the Contractor's Proposal and claims of a type which are barred by the provisions of this Contract) and such decision shall be conclusive, final and binding on the parties. The Director's decision may be based on such assistance as he may find desirable. The effect of the decision shall not be impaired or waived by any negotiation or settlement offers in connection with the question decided, whether or not he participated therein, or by any prior decision of him or others, which prior decisions shall be deemed subject to review, or by any termination or cancellation of this Contract.

All such questions shall be submitted in writing by the Contractor to the Director for a decision together with all evidence and other pertinent information in regard to such questions, in order that a fair and impartial decision may be made. In any action against the Authority relating to any such question the Contractor must allege in the complaint and prove such submission, which shall be a condition precedent to any such action. No evidence or information shall be introduced or relied upon in such an action that has not been so presented to the Director.

In the performance of the Contract, the Contractor shall conform to all orders, directions and requirements of the Director and shall perform the Contract to his satisfaction at such times and places, by such methods and such manner and sequence as he may require, and the Contract shall at all stages be subject to his inspection. The Contractor shall employ no equipment, materials, methods or men to which he objects, and shall remove no materials, equipment or other facilities from the Authority site without permission. Upon request, he shall confirm in writing any oral order, direction, requirements or determination.

The enumeration herein or elsewhere of particular instances in which the opinion, judgment, discretion or determination of the Director shall control or in which the Contract shall be performed to his satisfaction or subject to his inspection, shall not imply that only the matters of a nature similar to those enumerated shall be so governed and performed, but without exception the entire Contract shall be so governed and performed.

This provision shall be construed in accordance with the laws of the State of New York excluding its conflict of law provisions.

### **32. Approvals by the Director**

The approval by the Director of any service required hereunder, shall be construed merely to mean that at that time the Director knows of no good reason for objecting thereto and no such approval shall release the Contractor from its full responsibility for the satisfactory performance of the services to be supplied. "Approved equal" shall mean approved by the Director.

### **33. Contract Review and Compliance Audits**

The Contractor, and any subcontractors, shall provide prompt system access and reasonable assistance to the Authority's External and Internal Audit staff or its consultants in their performance of work under the contract, including producing specific requested information, extraction of data and reports. The Contractor, and any subcontractors, shall promptly support requests related to audits of the contract and administration tasks and functions covered by this Contract.

The Authority reserves the right to use and load security and system software to evaluate the level of security and vulnerabilities in all systems which comprise the Port Authority's e-mail system and supporting infrastructure. Audit requests will be performed without additional charge.

### **34. AUTHORITY ACCESS TO RECORDS**

The Authority shall have access during normal business hours to all records and documents of the Contractor relating to any service provided under this Contract, amounts for which it has been compensated, or claims the Contractor should be compensated, by the Authority above those included in the compensation set forth elsewhere herein. The expenditures incurred for an audit of records outside the Port District shall be paid by the Contractor. The Contractor shall obtain for the Authority similar access to similar records and documents of subcontractors. Such access shall be given or obtained both before and within a period of three (3) years after Final Payment to the Contractor, provided, however, that if within the aforesaid one 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 his subcontractors relate either directly or indirectly, then the period of such right of access shall be extended to the expiration of six (6) years from the date of Final Payment with respect to the records and documents involved.

The Contractor shall provide, at no cost to the Authority, access for and reasonable assistance to such auditors from the Authority or the Authority's external auditors that may, from time to time, be designated to audit detail records which support Contractor charges to the Authority. The Authority shall have access to the detail records that support Contractor charges to the Authority for up to three (3) years following the termination of the Contract.

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 that the Authority would have in the absence of such provision.

### **35. Claims of Third Persons**

The Contractor undertakes to pay all claims lawfully made against him by subcontractors, materialmen and workmen, and all claims lawfully made against him 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.

### **36. No Discrimination in Employment, Equal Employment Opportunity**

During the performance of this Contract, the Contractor agrees as follows:

- 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 any such statutes, ordinances, rules, regulations or orders, this Contract may be canceled, terminated, or suspended in whole or in part.

### **37. Integrity**

- A. 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 Proposer and each person signing on behalf of any Proposer certifies, and in the case of a joint bid each party thereto certifies as to its own organization, that the Proposer and each parent and/or affiliate of the Proposer has not:

1. been indicted or convicted in any jurisdiction;
2. 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 Proposer;
3. 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;
4. ever used a name, trade name or abbreviated name, or an Employer Identification Number different from those inserted in the Bid;
5. 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 \$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;
6. 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
7. 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.

**B. 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 Proposer and each person signing on behalf of any Proposer certifies, and in the case of a joint bid, each party thereto certifies as to its own organization, that

1. 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 Proposer or with any competitor;

2. the prices quoted in its bid have not been and will not be knowingly disclosed directly or indirectly by the Proposer prior to the official opening of such bid to any other Proposer or to any competitor;
3. no attempt has been made and none will be made by the Proposer to induce any other person, partnership or corporation to submit or not to submit a bid for the purpose of restricting competition;
4. 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;
5. no person or selling agency other than a bona fide employee or bona fide established commercial or selling agency maintained by the Proposer for the purpose of securing business has been employed or retained by the Proposer 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;
6. 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; and
7. no person or organization has been retained, employed or designated on behalf of the Bidder to impact any Port Authority determination 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 Proposer as follows:

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

Moreover, the foregoing certifications, if made by a corporate Proposer, shall be deemed to have been authorized by the Board of Directors of the Proposer, 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 that 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 "B.7", 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-responsibility.

Notwithstanding that the Proposer may be able to make the foregoing certifications at the time the Proposal is submitted, the Proposer shall immediately notify the Authority in writing during the period in which its Proposal is under consideration of any change of circumstances which might under this clause make it unable to make the foregoing certifications or require disclosure. The foregoing certifications or signed statement shall be deemed to have been made by the Proposer 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 this Contract. In the event that the Authority should determine at any time prior or subsequent to the award of this Contract that the Proposer has falsely certified as to any material item in the foregoing certifications 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 Proposer is not a responsible Proposer 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, Proposers 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.). Proposers are also advised that the inability to make such certification will not in and of itself disqualify a Proposer, and that in each instance the Authority will evaluate the reasons therefor provided by the Proposer.

Under certain circumstances the Proposer 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 Proposer to determine whether its business practices and relationships indicate a level of integrity sufficient to permit it to continue business with the Port Authority.

**C. PROPOSER ELIGIBILITY FOR AWARD OF CONTRACTS -  
DETERMINATION BY AN AGENCY OF STATE OF NEW YORK OR  
NEW JERSEY CONCERNING ELIGIBILITY TO RECEIVE PUBLIC  
CONTRACTS**

Proposers 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 Proposer is not eligible to bid on or be awarded public contracts because the Proposer has been determined to have engaged in illegal or dishonest conduct or to have violated prevailing rate of wage legislation.

The policy permits a Proposer 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 Proposer, or (ii) the state agency determination relied upon was made without affording the Proposer the notice and hearing to which the Proposer was entitled by the requirements of due process of law, or (iii) the state agency determination was clearly erroneous or (iv) the state

agency 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.

**D. NO GIFTS, GRATUITIES, OFFERS OF EMPLOYMENT, ETC.**

During the term of this Contract, the Proposer 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 Proposer 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 Proposer, 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 Proposer shall insure 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 addition, during the term of this contract, the Proposer 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 Proposer shall include the provisions of this clause in each subcontract entered into under this Contract.

**E. DEFINITIONS**

As used in this section, 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 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.

If the solicitation is a Request for Proposal:

Bid - shall mean Proposal;

Bidder - shall mean Proposer;

Bidding - shall mean submitting a Proposal.

In a Contract resulting from the taking of bids:

Bid - shall mean bid;

Bidder - shall mean Bidder;

Bidding - shall mean executing this Contract.

In a Contract resulting from the taking of Proposals:

Bid - shall mean Proposal;

Bidder - shall mean Proposer;

Bidding - shall mean executing this Contract.

## **F. CONFLICT OF INTEREST**

During the term of this Contract, you shall not participate in any way in the preparation, negotiation or award of any contract (other than a contract for your own services to the Authority) to which it is contemplated the 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 you have substantial financial interest in the contractor or potential contractor of the Authority or if you have an

arrangement for future employment or for any other business relationship with said contractor or potential contractor, nor shall you at any time take any other action which might be viewed as or give the appearance of a conflict of interest on your 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 you have reason to believe such an arrangement may be the subject of future discussion, or if you have any financial interest, substantial or not, in a contractor or potential contractor of the Authority, and your 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 you have reason to believe that any other situation exists which might be viewed as or give the appearance of a conflict of interest you shall immediately inform the Director in writing of such situation giving the full details thereof. Unless you receive the specific written approval of the Director, you shall not take the contemplated action which might be viewed as or give the appearance of a conflict of interest. In the event the Director shall determine that the performance by you of a portion of your services under this Contract is precluded by the provisions of this numbered paragraph, or a portion of your said service 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 your services not be performed by you, reserving the right, however, to have the services performed by others and reserving the right to reduce the lump sum compensation as he/she may deem reasonable in his/her sole discretion. Your execution of this Contract shall constitute a representation by you that at the time of such execution you know 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 your part.

### **38. Confidential Information/Non-Publication**

- A. As used herein, confidential information (“CI”) shall mean all information disclosed to the Contractor or the personnel provided by the Contractor hereunder which relates to the Authority's and/or PATH'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/or PATH 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 February, 9 2009)*, 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.

The Handbook and its requirements are hereby incorporated into this agreement and will govern the possession, distribution and use of CI if at any point during the lifecycle of the project or solicitation it becomes necessary for the Contractor to have access to CI. 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 Confidential Information categorized and protected as per the Handbook;
- (2) require that individuals needing access to CI 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 CI to ensure that the storage and protection of CI;
- (5) restrictions on the transfer, shipping, and mailing of CI information;
- (6) prohibitions on the publication, posting, modifying, copying, reproducing, republishing, uploading, transmitting, or distributing CI 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 CI, from viewing such information;
- (7) require that CI 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 CI developed from the project or contained in reports, except between Contractors and subcontractors, without prior approval of the Port Authority;
- (10) require that CI only be reproduced or copied pursuant to the requirements set forth in the Handbook.

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.

**D. Audits for Compliance with Security Requirements**

The Port Authority may conduct random or scheduled examinations of business practices under this section entitled “CONFIDENTIAL INFORMATION/NON-PUBLICATION and the Handbook in order to assess the extent of compliance with security requirements, Confidential 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.

E. 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 Contract, 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.

**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. 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.

**41. No Estoppel or Waiver**

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

**42. Non-Liability of the Authority Representatives**

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

**43. Modification of Contract**

No change in or modification, termination or discharge of this Contract, in any form whatsoever, shall be valid or enforceable unless it is in writing and signed by the party to be charged therewith or his duly authorized representative, provided, however, that any change in or modification, termination or discharge of this Contract expressly provided for in this Contract shall be effective as so provided.

**44. M/WBE Good Faith Participation**

The Contractor shall use every good-faith effort to meet the goals set forth in the clause of the RFP entitled “M/WBE Subcontracting Provisions” for participation by 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.

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, to be procured, from the Directory of MBEs/WBEs. The Authority has a list of certified MBE/WBE service firms which is available to you at <http://www.panynj.gov/business-opportunities/supplier-diversity.html>.
- d.** Insuring 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.

Either prior or subsequent to Contract award, the Contractor may request a full or partial waiver of the M/WBE participation goals set forth in this Contract by providing documentation demonstrating to the Manager, for approval by the Port Authority's Office of Business and Job Opportunity, that its good faith efforts did not result in compliance with the goals set forth above because participation by eligible M/WBEs could not be obtained at a reasonable price or that such M/WBEs were not available to adequately perform as subcontractors. The Contractor shall provide written documentation in support of its request to the Manager. The documentation shall include, but not be limited to, documentation demonstrating good faith efforts as described above, which may include, proof that the Authority's directory does not contain M/WBEs in this specific field of work, a list of organizations contacted to obtain M/WBEs, and/or a list of M/WBEs contacted and their price quotes. If approved by the Authority's Office of Business and Job Opportunity, the Manager will provide written approval of the modified or waived M/WBE Participation Plan.

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 and Job Opportunity. 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, annexed hereto as Attachment G. 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.

#### **45. 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 Facility which interfere or are likely to interfere with the operation of the Port Authority or with the operations of lessees, licensees or other users of the Facility or with the operations of the Contractor under this Contract.

The Contractor shall immediately give notice to the Port Authority (to be followed by written notices and reports) of any and all impending or existing labor complaints, troubles, disputes or controversies and the progress thereof. The Contractor shall use its best efforts to resolve any such complaint, trouble, dispute or controversy. If any type of strike, boycott, picketing, work stoppage, slowdown or other labor activity is directed against the Contractor at the Facility or against any operations of the Contractor under this Contract, whether or not caused by the employees of the Contractor, and if any of the foregoing, in the opinion of the Port Authority, results or is likely to result in any curtailment or diminution of the services to be performed hereunder or to interfere with or affect the operations of the Port Authority, or to interfere with or affect the operations of lessees, licensees, or other users of the Facility or in the event of any other cessation or stoppage of operations by the Contractor hereunder for any reason whatsoever, the Port Authority shall have the right at any time during the continuance thereof to suspend the operations of the Contractor under this Contract, and during the period of the suspension the Contractor shall not perform its services hereunder and the Port Authority shall have the right during said period to itself or by any third person or persons selected by it to perform said services of the Contractor using the equipment which is used by the

Contractor in its operations hereunder as the Port Authority deems necessary and without cost to the Port Authority. During such time of suspension, the Contractor shall not be entitled to any compensation. Any flat fees, including management fees, shall be prorated. Prior to the exercise of such right by the Port Authority, it shall give the Contractor notice thereof, which notice may be oral. No exercise by the Port Authority of the rights granted to it in the above subparagraph shall be or be deemed to be a waiver of any rights of termination or revocation contained in this Contract or a waiver of any rights or remedies which may be available to the Port Authority under this Contract or otherwise.

- b. During the time that the Contractor is performing the Contract, other persons may be engaged in other operations on or about the worksite including Facility operations, pedestrian, bus and vehicular traffic and other Contractors performing at the worksite, 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 site and not to delay, endanger or interfere with the operation of others (whether or not specifically mentioned above), all to the best interests of the Port Authority and the public as may be directed by the Port Authority.

**46. The Authority's Standards and Guidelines for Technology**

The Contractor and any subcontractors shall follow the Authority's Standard and Guidelines for Technology attached hereto and made a part hereof, and shall comply with any updates to or changes in best practices related to such Standards and Guidelines.

**Attachment C1 - Proposer Prerequisite A**

\* Note - Duplicate form as necessary \*

Reference [RFP Section 3 – Proposer Prerequisites](#)

(Proposer meets Prerequisite A – at least two years continuous experience)

<b>Client Name</b>	
<b>Contract Start Date</b>	
<b>Contract End Date</b>	
<b>Proposer was prime contractor on assignment &amp; responsible for service levels</b>	<b>Yes?          No?</b> <b>Explain -</b>
<b>Client Contact Name / Title</b>	
<b>Client Contact E-mail Address</b>	
<b>Client Contact Phone #</b>	
<b>Brief description of Scope of work</b>	
<b># of Mailboxes</b> <b># of Distribution Lists</b> <b># of Mobile Devices</b> <b># OWA Accounts Supported</b>	<b>Mailboxes:</b> _____ <b>Distribution Lists:</b> _____ <b>Mobile Devices: BlackBerry</b> _____ <b>ActiveSync</b> _____ <b>OWA Accounts:</b> _____
<b>MS Windows Versions utilized:</b>	
<b>MS Exchange Versions utilized:</b>	
<b>BlackBerry Enterprise Server Versions utilized:</b>	
<b>Administration of off-site server/technology infrastructure</b>	<b>Yes?   No?   Explain</b>
<b>Anti-virus protection</b>	<b>Yes?   No?   Which Products?</b> _____
<b>Anti-spam protection</b>	<b>Yes?   No?   Which Products?</b> _____

<b>Calendaring/conference rooms</b>	<b>Yes?</b>	<b>No?</b>	<b>Explain notification method</b>
<b>Public folders</b>	<b>Yes?</b>	<b>No?</b>	<b>Explain</b>
<b>Global distribution lists and Contacts</b>	<b>Yes?</b>	<b>No?</b>	<b>Explain</b>

**NOTE: CLIENT CONTACT MUST BE AN EMPLOYEE OF THE CLIENT COMPANY**

**ATTACHMENT C2 - Documentation for Prerequisite B**

\* Note - Duplicate form as necessary \*

Reference [RFP Section 3 – Proposer Prerequisites](#)

(Proposer or entities owning/controlling Proposer meets Prerequisite B – at least two contracts for similar services of similar size (approximately 2,000 mailboxes or more) and scope)

<b>Total # Of Such Contracts &amp; Exchange Mailboxes</b>	<b>Total # of all such Contracts (Similar size and Scope):</b> _____ <b>Total # of all MS Exchange Mailboxes:</b> _____
---	--

<b>Client Name</b>	
<b>Contract Start Date</b>	
<b>Contract End Date</b>	
<b>Proposer was prime contractor on assignment &amp; responsible for service levels</b>	<b>Yes?          No?</b> <b>Explain -</b>
<b>Client Contact Name / Title</b>	
<b>Client Contact E-mail Address</b>	
<b>Client Contact Phone #</b>	
<b>Brief description of Scope of work</b>	
<b># of Mailboxes</b> <b># of Distribution Lists</b> <b># of Mobile Devices</b> <b># OWA Accounts Supported</b>	<b>Mailboxes:</b> _____ <b>Distribution Lists:</b> _____ <b>Mobile Devices: BlackBerry</b> _____ <b>ActiveSync</b> _____ <b>OWA Accounts:</b> _____
<b>MS Windows Versions utilized:</b>	
<b>MS Exchange Versions utilized:</b>	
<b>BlackBerry Enterprise Server Versions utilized:</b>	
<b>Administration of off-site server/technology infrastructure</b>	<b>Yes?   No?   Explain</b>
<b>Anti-virus protection</b>	<b>Yes?   No?   Which Products?</b> _____
<b>Anti-spam protection</b>	<b>Yes?   No?   Which Products?</b> _____

<b>Calendaring/conference rooms</b>	<b>Yes?</b>	<b>No?</b>	<b>Explain notification method</b>
<b>Public folders</b>	<b>Yes?</b>	<b>No?</b>	<b>Explain</b>
<b>Global distribution lists and Contacts</b>	<b>Yes?</b>	<b>No?</b>	<b>Explain</b>

**NOTE: CLIENT CONTACT MUST BE AN EMPLOYEE OF THE CLIENT COMPANY**

### **ATTACHMENT C3 - Documentation for Prerequisite C**

\* Note - Duplicate form as necessary \*

*Reference [RFP Section 3 – Proposer Prerequisites](#)*

The Proposer shall demonstrate that the physical servers and storage devices that house the Authority's data for hosted services, disaster recovery options, and off-site backup storage, are to be located in the continental United States throughout the term of the contract. (See page 7)

**ATTACHMENT C4 - Proposer General Reference Form**

Name of Proposer: \_\_\_\_\_

Please provide a list of references on the firm’s performance of similar work within the last five years, including all current contracts. Use additional sheets as necessary.

Include the following information for each reference:

Customer Name: \_\_\_\_\_

Address: \_\_\_\_\_

Contact Name and Title: \_\_\_\_\_

Contact E-mail Address: \_\_\_\_\_

Phone and Fax Numbers of Contact: \_\_\_\_\_

Contract Start date(s): \_\_\_\_\_

Contract End date: \_\_\_\_\_

Contract Cost: \_\_\_\_\_

Description of work (including products and versions):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Customer Name: \_\_\_\_\_

Address: \_\_\_\_\_

Contact Name and Title: \_\_\_\_\_

Contact E-mail Address: \_\_\_\_\_

Phone and Fax Numbers of Contact: \_\_\_\_\_

Contract Start date(s): \_\_\_\_\_

Contract End date: \_\_\_\_\_

Contract Cost: \_\_\_\_\_

Description of work (including products and versions):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



**ATTACHMENT C5 - RFP Checklist for Proposers**

The following Checklist is solely for the benefit of the Proposer and can be used to verify that all the individual components required for submission have been accounted for, are in the proper order and have been enclosed with the reposts.

Failure to include any component identified below may disqualify your Proposal.

<b><i>Proposal</i></b>	
<b>For Hosted Microsoft Exchange E-Mail and Administrative Services</b>	
1 original copy	
15 additional copies	
Electronic submission (CD)	

	<b>ITEM</b>	<b>Reference</b>
1	Prerequisite Documentation	
2	Financial Information	
3	Letter of Transmittal	
4	Table of Contents	
5	Executive Summary	
6	Agreement on Terms of Discussion	
7	Management	
	A. Company Profile	
	B. Prior Experience	
	C. Mgmt. Structure & Approach	
	D. Staffing Qual. & Capacity to fulfill Contract	
8	Technical Proposal	
	A. Hosted MS Exchange E-mail Services Plan Overview	
	B. Workforce Management Plan	
	C. Detailed Hosted MS Exchange E-Mail and Administrative Service Plan	
	D. Detailed Transition Plans (Start & End of Contract)	
	E. Detailed Security, Virus, Spam, Intrusion Protection, Detection, and Response Plan	
9	Cost Proposal	
10	Contractor Identity / Background Checks	

## **ATTACHMENT D - SCOPE OF WORK**

### **SCOPE OF WORK**

The Contractor shall provide Hosted Microsoft Exchange E-Mail and Administration Services to the Authority.

Working under the general direction of an Authority System Manager (hereafter referred to as the System Manager), the Contractor shall be responsible for performance of all work as set forth in this Attachment, and as further described in Attachment E - Technical Environment. The Contractor shall also be responsible for the management of the work in accordance with the provisions defined below. The Contractor shall ensure that the Hosted Microsoft Exchange E-Mail and Administration Services which the Contractor has been engaged to provide and support operates as is intended and is maintained in accordance with a structured maintenance methodology agreeable to the Authority.

All elements of the scope of work that follow should be interpreted as tasks to be performed. The following sections detail the work to be performed and the manner in which it is to be managed.

#### **1 Management of the Work**

The Contractor shall be responsible for the effective management of the work detailed in the Scope of Work and of the staff assigned to the work including implementing sufficient management controls, utilizing tools necessary to ensure the work is accomplished in an effective manner and maintenance of a sufficient number of skilled staff to meet or exceed all Service Levels.

##### **1.1 Organization**

The Contractor shall be responsible for establishing and maintaining an organizational and operational structure appropriate to the Scope of Work to be performed under this agreement. This shall include but not be limited to:

- Assigning appropriate numbers of staff with skills appropriate to the tasks to be performed. The Authority reserves the right to review qualifications and interview all technical staff prior to their assignment to this contract and to withhold approval for assignment at the Authority's sole discretion. All assigned staff must be accessible either through a paging device, a cell phone, or through a toll-free 24 x 7 telephone number. All Contractor staff who directly interface with the Authority's personnel must have demonstrated fluency and proficiency in English.

- Supplying direct supervision and management of the staff assigned to carry out the work as defined herein.
- Providing qualified persons, acceptable to the Authority, for relief of the assigned staff in the event of vacation, illness, personal business or any other absence of the assigned staff.
- Providing the staff assigned with procedures for escalating technical issues and providing for the support of these individuals where such support is required to ensure prompt resolution.
- Providing a toll-free staffed 24-hour/seven day (24 x 7) telephone number to respond to the requests for services in a timely manner and to meet service requirements.
- Providing for all resources, processes, methodologies and tools to effect an efficient transitioning within an agreed upon timeframe. The Contractor is responsible to work with the Authority and the current contractor performing hosted E-mail services and other resources to transition services with minimal impact to the Authority's business and service availability, as accepted by the Authority.
- The Contractor shall take all actions necessary to effectively resolve complaints by the Authority that any of its employees are not performing in compliance with requirements hereof.

## **1.2 Labor Force**

The Contractor shall furnish sufficiently trained management, supervisory, and technical personnel to perform the services required of the Contractor under this Contract, with all such personnel subject to review and approval by the Authority. If any such personnel is deemed unsatisfactory or does not perform the services to be furnished hereunder in a proper manner and satisfactory to the Authority, or in the determination of the Director, Technology Services Department may have taken any action which constitutes a conflict of interest or which is inconsistent with the highest level of honesty, ethical conduct or public trust or which the Director determines is adverse to the public interest or to the best interest of the Authority, the Contractor shall remove any such personnel immediately, and replace them by personnel satisfactory to the Authority within two weeks, upon notice from the Authority.

## **1.3 Program Management - Appointment of Staff**

The Contractor shall appoint member(s) of their organization to oversee the management of the contract. The Contractor shall assign a full time, technically proficient, English

speaking, experienced and fully qualified account manager (hereinafter referred to as the ‘Engagement Manager’). The Authority requires:

- Notification of the proposed assignment.
- The Contractor shall provide information (resume, background, history with the Contractor, etc.) regarding the proposed Engagement Manager and the Contractor shall arrange for the individual(s) to be available for interview(s) at no cost to the Authority.
- The Engagement Manager shall be subject to approval by the Authority and subject to removal at the Authority’s sole discretion.
- The Contractor shall notify the Authority in writing sixty days prior to a change of Engagement Manager. The contractor shall not change the Engagement Manager for a period of at least two years.

#### **1.4 Hosted Microsoft Exchange E-Mail and Administration Services Methodology**

The Contractor shall put a Hosted Microsoft Exchange E-Mail and Administration Services methodology in place, subject to the review and approval of the Authority. This shall include a methodology for documenting and tracking configuration changes or updates made to the software and environment, managing the production environment, putting changes and new releases of the software into production, and keeping the Authority informed of any changes that will affect it.

Reporting is a key component of the Hosted Microsoft Exchange E-Mail and Administration Services methodology. The Authority will identify a set of performance, utilization and status reports that the Contractor shall be required to provide on a periodic basis. Expected reports include, but are not limited to, daily overall health check report based on monitoring of all components of the service, daily message traffic statistics (such as Internal, Internet Inbound, Internet Outbound, Total Messages), usage and capacity reports including for Exchange and BlackBerry, users connected to each Exchange server, virus and spam threat statistics reporting, circuit bandwidth utilization reports (assuming circuit is provided by Contractor as a service), security-related reports and any root cause analysis reports on failures and outages. The Contractor shall deliver suggested formats to the Authority, within the first ninety (90) days or less of an agreement, for Authority approval. The Authority requires the hosted service provider to provide required information from Event logs as needed. All servers should be configured for event logging.

The Authority will determine the frequency of reporting, typically weekly, and the Contractor shall provide reports accordingly. The Authority shall periodically notify the Contractor of historical data needed during the duration of the contract. The Contractor shall work with the Authority to provide access to such data. Preferable formats for

historical statistical data shall include, but not be limited to online customizable query reports.

The contractor shall make available a method for the Authority to generate their own reports as needed by the Authority.

### **1.5 Customer Status Reporting/Status Meetings**

The Contractor shall schedule and conduct regular status meetings on strategic, tactical and operational issues via telephone conference calls or at an Authority-selected site no less frequently than on a weekly basis with the Authority, and other service providers as necessary for resolution of agenda items. At the sole discretion of the Authority, the frequency of meetings may be adjusted. The purpose of these meetings shall be, but not limited to:

- track the status of the work activities;
- report on the operational status of the hosted services, infrastructure and communications links and availability of connectivity between the Authority and the Contractor, as well as connectivity between end-users and the managed environment via the Internet and Mobile devices (including BlackBerry and ActiveSync);
- review and report on any operational issues including Support Desk tickets;
- review the Contractor's performance to the contracted service level metrics;
- review Contractor's invoices for services provided;
- report or communicate on all availability of services and the environment directly impacting the Authority's hosted services, and
- resolve disputes.

The Contractor shall produce and deliver to the Authority, at least 24 hours prior to each status meeting, a status report listing strategic, tactical, and operational items and issues and the status of each. The report shall at a minimum provide a complete statement of the system's status through performance measure reporting, and indicate progress made on operational, project or task issues or activities during the reporting period. Also included should be progress made on work to correct deficiencies, the status of activities to be undertaken in the next reporting period, activities/tasks behind schedule and identification of problems/concerns related to the hosted services, statistics on problems encountered/resolved in the reporting period and year-to-date, as well as statistics on the Service Levels (SLA) listed below in Section 2.2, in addition to ad hoc reports as required by the Authority.

### **1.6 Security Measures for Contractor's Staff**

This section is intended for the creation of security controls relative to the Contractor's own staff. The Contractor shall be responsible for maintaining a secure environment and supplying personnel who satisfy Authority and/or regulatory requirements. All employees and subcontractors assigned to the Authority account, regardless if their services are rendered remotely from a non-Port Authority facility location are subject to a background check by the Port Authority Police Department and/or other agencies and/or organizations as the Port Authority may designate.

### **Physical Access**

#### **Maintaining lists of authorized Contractor's and subcontractor's personnel:**

The Contractor shall maintain a list of Contractor and subcontractor's employees authorized to enter secured areas and shall maintain communication with the Authority's System Manager or other designated person as to changes in employment status which may require updating of said list, ensuring that the system files of any automated entry system in operation are reconciled to the authorized list on a scheduled basis. The Contractor shall advise the Authority of all Contractors' and subcontractor's staffing changes at least one week in advance. Also the Contractor shall notify the Authority where access security may have been compromised, e.g., lost keys or access cards.

### **System Access for Contractor's Staff**

**Maintaining lists of authorized users of the Contractor's staff:** The Contractor shall maintain a list of Contractor and subcontractor employees authorized by the Authority's System Manager to access the Authority's dedicated hosted Exchange systems and any ancillary systems necessary to perform the job function for this service. The Contractor shall also provide a means for immediate communication with the Authority's System Manager or other designated person when changes in employment status or assignments occur with Contractor employees which may require updating of said list of authorized users.

**Limiting access to the system:** The Contractor shall issue appropriate logon IDs for only those persons authorized by the Authority's System Manager to have access, and periodically reconcile the list of logon IDs to the authorized list. The Contractor shall institute controls over super accounts or IDs and passwords or other special accounts or IDs and passwords so that their use is documented and approved by the Authority's System Manager. Any request by the Contractor to increase access must be documented in writing, with full backup information to document the need for the increased access.

**Conducting Security Reviews:** The Contractor shall regularly run security review software against the hosted servers and network equipment, as appropriate, to identify configuration and security weaknesses. These reports will be provided to the Authority's System Manager along with an analysis of the severity of the

identified risks and the action plan to rectify any such weakness, vulnerability or deficiency. Penetration tests shall be performed by an independent organization on a periodic basis (no greater than annually) to try to penetrate the hosted environment. The results of these tests will also be provided to the Authority's System Manager.

## **Data Security**

**Safeguarding Data:** All information concerning the business of the Authority which becomes accessible, or known, to the Contractor, their employees or subcontractors including, but not limited to, financial information, customers, customer lists, business plans, operational plans, data and computer programs, documentation, engineering/technical data, design process, pricing, research and development, strategic plans, and operating data resident on magnetic media, or other media processed, stored, archived or maintained, shall be protected from loss, erroneous alteration, and shall be held in strict confidence and protected from unauthorized access consistent with the Authority's Information Security Handbook (<http://www.panynj.gov/business-opportunities/pdf/Corporate-Information-Security-Handbook.pdf>) (October 15, 2008, corrected as of February 9, 2009) (the "Handbook"). All confidential data shall be protected at all times. The Contractor shall provide the same care and processes to prevent unauthorized access, modification, theft or other loss of the Authority data via the same, or enhanced, processes set forth in the Handbook. In the event of any non-authorized access, modification, disclosure, theft or other loss, or inability to account for any Authority data, the Contractor shall provide immediate notification to the Authority's System Manager. In addition, the Contractor will be held liable for damages (including any fines or penalties assessed against the Authority) or expense to the Authority, including the cost of recovery of lost or modified data, staff time in dealing with the ramifications of the disclosure of private information and corrective procedures and actions undertaken.

### **1.7 Quality Assurance/Auditing**

The Contractor shall establish and maintain a quality assurance program which the Contractor will utilize to assure that all work is performed in accordance with the terms of this agreement, including compliance with the Authority's Standards and Guidelines for Technology, the Authority's Guidelines for System Administration and at a level consistent with acceptable industry practices such as those outlined by ISO 270001 and 270002, and the National Institute of Standards and Technologies (NIST) guidelines for Microsoft Windows and Exchange services. The Contractor shall provide a current SSAE 16 SOC 2 (previously known as SAS 70 Level 2) report. The Contractor shall employ procedures to assure the timely and effective execution of all tasks required by this agreement. The program is expected to include a measurement program that tracks the quality and productivity of services provided by the Contractor. The Contractor shall issue reports regarding this Quality Assurance activity annually.

## **1.8 Training of Contractor’s Staff**

The Contractor shall be responsible for maintaining the appropriate knowledge, certifications, skills and abilities of their staff assigned to support the Authority’s hosted services by providing a regular ongoing training program appropriate to the needs of the services provided and the staff assigned.

## **1.9 Right of Refusal**

The Authority has the right to approve or disapprove, at the Authority’s sole discretion, any potential Contractor employee who would directly service the Authority account.

## **1.10 Right of Replacement**

The Authority has the right to require the Contractor to replace any Contractor employee, assigned to the Authority Account, at the Authority’s sole discretion.

## **1.11 Contractor Employee Minimum Skill Requirement**

Staff assigned must be experienced in MS Exchange 2007/2010, Outlook 2007/2010, Windows Server 2003/2008, MS Active Directory, BlackBerry Enterprise Server Version 5+, and the tools utilized for monitoring, administering, and troubleshooting this environment. They must maintain their skills and experience levels as appropriate to a changing technical environment (such as Windows Server 2008/2012, Exchange Server 2010/2013, and Office/Outlook 2010/2013). The Contractor shall propose the staffing to be provided to meet the hosted MS Exchange service and administration services required and identify the minimum acceptable experience level for each staffing position. This should identify the minimum acceptable MS Exchange experience and the minimum acceptable experience in supporting MS Exchange and related services in production. Technical positions related to supporting MS Windows and Active Directory should similarly specify the minimum acceptable technical experience of staff. The Contractor shall meet all minimum experience levels and qualifications as agreed to by the Authority in the resulting Contract for any potential Contractor employee who would be assigned to the Authority account. The proposed staffing should be depicted in an organizational chart format with each position’s experience level clearly designated.

## **1.12 Customer Satisfaction Surveying**

The Contractor shall provide services to periodically assess and continuously improve customer satisfaction with the functional and operational aspects of the Authority’s MS Exchange environment under this agreement. Customers under the Contract would consist of staff from the entire Port Authority.

## **1.13 Technologies Supported**

The Contractor shall support all of the technologies and processes currently employed by the Authority for the contracted services while identifying opportunities to implement new technologies and processes that will improve service and support at a reduced cost. See [Attachment E](#) for a description of the current technical environment.

#### **1.14 Maintenance of Application Metrics**

The Contractor shall provide services and tools to periodically assess and continuously improve metrics on the quality of the hosted MS Exchange service and related services. The Contractor shall provide metrics that are mutually agreed upon between the Authority and the Contractor.

#### **1.15 Incentives to Reduce Costs**

The Authority is continually seeking ways to reduce and minimize its expenses. Accordingly, the Authority encourages the Contractor to explore and identify opportunities to improve the services and reduce the cost of services being provided under an agreement.

The Contractor shall advise the Authority's System Manager of each opportunity that is identified and to estimate the associated potential savings.

#### **1.16 Customer Budget Planning and Billing**

The Contractor shall identify and plan issues or activities and report on any that will contribute to Extra Work or otherwise unexpected costs to the Authority and notify the Authority. These plans are to be used to establish the level of anticipated support (in estimated and actual dollars) for the hosted MS Exchange service and related services. These plans will be used during the Authority's annual budget process, for establishing the Authority's corporate budget for this service. The Contractor shall also provide monthly accounting of services and expenses.

#### **1.17 Availability of Contractor's Assigned Staff**

The Authority requires the availability of key team members, including the Engagement Manager, for prompt interaction with Authority staff during normal business hours [Monday through Friday, 7:00AM to 6:00PM] and for Contractor's staff to be available 24 x 7 to support this service. These key team members of the Contractor are staff who may require immediate availability for prompt interaction with Authority personnel to perform their duties. This availability may be achieved via regular telephone conference calls for daily and weekly activities with periodic (such as quarterly) on-site executive / account management meetings, as needed, at the Authority's Two Montgomery Street, Jersey City, New Jersey location.

If the Contractor plans on placing the account representative on the Authority's premises for this engagement, the Authority shall provide suitable space and furnishings as well as a Port Authority standard imaged PC, at the Authority's Two Montgomery Street location, if needed, for the Contractor account representative during the term of the agreement.

## **2 Hosted Microsoft Exchange E-mail and Administration Services**

Hosted Microsoft Exchange E-mail and Administration Services is defined to include activities required to keep the hosted MS Exchange E-mail service and other contracted services secure, reliable, and highly available to all corporate users. These activities include, but are not limited to:

- \* providing and maintaining an off-site (located within the continental United States and not on the Authority’s premises nor owned by the Authority) data center operations and technology infrastructure to provide e-mail and related services on dedicated, non-shared physical servers with no co-mingling of data with other clients.
- \* providing the telecommunications circuits and infrastructure equipment between the Contractor’s server/network/data center infrastructure for hosted Microsoft Exchange, Outlook Web Access, BlackBerry Enterprise Server, ActiveSync service, spam protection and virus protection services, and the Authority’s network/technology infrastructure;
- \* monitoring and taking corrective action as needed for all provided services including mail flow to ensure secure, reliable and available services on a 24 x 7 basis;
- \* maintaining access to MS Exchange mailboxes externally associated (“linked mailboxes”) to the Authority’s corporate Active Directory accounts for authentication;
- \* maintaining and configuring appropriate and up-to-date virus and spam control;
- \* maintaining a consistent privacy and security environment;
- \* providing secure backup/restore capabilities and disaster recovery operations including preparing, maintaining and regularly testing disaster recovery procedures for various disaster scenarios including, but not limited to, various hardware failures, data corruption, network problems, loss of server(s), loss of primary data center;
- \* providing individual mailbox restores for lost data as needed (usually less than one mailbox per month)
- \* supporting the Authority’s eDiscovery requirements based on legal or investigatory requests from the Authority’s Law Department or Inspector General’s (IG) Office (usually less than ten (10) such requests per month and less than seventy-five (75) annually):
  - \* placing user accounts on litigation hold, and disabling automated mailbox management recipient policies to prevent automated deletion of data.
  - \* data collection as needed, including restores from available backup tapes and exporting of current and restored data to PSTs.
- \* providing a four-hour recovery time in the event of any unplanned interruption of service, such as a corrupted database.

- \* detecting and correcting defects (including 24-hour availability for operational problem resolution);
- \* tracking and reporting on all problems and requests related to the Authority's service;
- \* analyzing, maintaining, configuring and documenting services and their components;
- \* providing the Authority with management reports indicating the overall health and security of the services;
- \* providing ongoing tuning of system performance
- \* complying with all legal requirements. Unencrypted e-mail is not used for HIPPA data.
- \* ensuring adequate capacity for growth of the service and adding new capacity as needed. Based on industry experience with the growth in e-mail usage, the types of e-mail messages and message sizes, we are anticipating growth
- \* applying MS Exchange, MS Windows and third-party software (such as anti-virus) version and release upgrades, service packs, security patches and fixes;
- \* maintaining a test lab environment to ensure changes to the environment are adequately tested prior to implementation;
- \* providing the Authority's authorized IT staff with appropriate administrative access to the environment the Contractor is maintaining for the Authority;
- \* assessing and reporting to the Authority on the impact of changes to the operational environment, determining if changes are needed, and implementing the changes as required with the Authority's approval;
- \* initiating and implementing productivity improvements;
- \* coaching information technology personnel and providing Authority staff assistance;
- \* answering questions and interfacing as a resource and resolve with the Authority's Support Desk and other IT staff to determine and resolve MS Exchange/Outlook problems and provide expert knowledge related to MS Exchange/Outlook in the role of 2<sup>nd</sup> and 3<sup>rd</sup> level Support Desks;
- \* having a set escalation procedure for Support Desk problem resolution, including escalation to third-party vendors which provide products (hardware and software) utilized in the hosted managed services;
- \* maintaining support agreements with third-party vendors (such as Microsoft, BlackBerry, hardware, and anti-virus, anti-spam vendors) to ensure proper support for products offered as components to the hosted managed services;
- \* providing a quality assurance review/methodology for maintenance activities and enforcing installation standards;
- \* maintaining the MS Exchange environment consistent with acceptable best practices as well as the Authority's Standards and Guidelines for Technology; and
- \* providing recommendations to enhance the stability, availability, and security of the MS Exchange/Outlook environment.

## **2.1 Hosted Services and Related System Operations and Application Management Services**

The Contractor shall be responsible for routine operation of the hosted services and related systems, management of the hardware and software configurations and files, and for diagnosing and effecting correction of service and system related problems. The Contractor shall perform all tasks as defined in the Contractor's data center operations manuals, system technical documentation, applicable other vendor product literature and support knowledgebase documentation, and the Authority's applicable Standards & Guidelines for Technology necessary to assure functioning of the hosted services and related systems at the required standards of performance and availability.

The scope of the services and related system operations portion of the services furnished shall include, but not be limited to, the activities identified below:

### **2.1.1 Maintaining the Hosted Exchange and BlackBerry Service and Related Systems, including but not limited to:**

- 1. Troubleshooting and Problem Resolution** – The Contractor shall be responsible for the correction of all production problems that require operational modifications. Twenty-four (24) hour on call availability for resolution of operational problems will be required. (See [Section 2.2](#) for required Contractor service levels.)
- 2. Upgrades** – The Contractor shall be responsible for regular MS Windows, Exchange, BlackBerry and other system software upgrades, service packs, security patches, and hotfixes, including the full impact analysis of applying the upgrades, service packs, security patches, and fixes, and testing of the changes prior to production implementation. The Contractor shall perform a comprehensive security check and comparison to security lockdown requirements prior to production implementation. The Authority will require the Contractor to upgrade the software to the next release of the software issued by Microsoft and by third-party software suppliers (such as anti-virus server software) to maintain product currency. If this upgrade is a major version change, the Contractor may treat it as a full upgrade project subject to the Authority's approval, and pricing should be included in the Cost Proposal. The Contractor shall be responsible for working with Authority staff to inform and recommend to the Authority any needed changes to the Authority's environment (such as the Authority's firewalls, internal DNS server, Active Directory for corporate accounts, etc.) due to planned updates in the Contractor's hosted service environment. The Contractor shall provide in detail its methodology for maintaining and changing the production system, its team composition for any upgrade/change, and how, if at all, the upgrade/change would impact the hosted service, the related systems, and the related administration services provided. The Contractor shall provide a detailed test plan and results for upgrades, and an implementation plan including backout procedures for the Authority's review and approval. Unless

otherwise stipulated in the pricing sheets, and agreed to by the Authority, there shall be no additional compensation for these upgrades.

3. **Release, Service Packs and Fixes Control and Maintenance** – The Contractor shall perform all functions required to maintain a current system environment. Unless mutually agreed otherwise, the Contractor shall maintain MS Exchange and third-party server infrastructure software suppliers within one generation of currency such that it is fully supported by Microsoft or third-party software suppliers without any additional cost to the Authority. Upon notification of a critical security patch, the Contractor must be capable of deploying it within 24 hours. This shall include the preparation, testing, quality assurance and reporting and consultation with the Authority. Non-critical security and non-security related patches, fixes and service packs are to be scheduled with the Authority but in general shall be deployed within 10 business days of their release. Both the operating system and standard software and utilities deployed for the hosted services supplied to the Authority must be appropriately maintained. The Contractor must develop a program to inform the Authority of new version releases and develop a plan for its distribution across the Authority within six months of its release. This shall include the preparation, testing, quality assurance and reporting and consultation with the Authority. The Contractor must also track and notify the Authority as soon as the manufacturer of the system operating system discontinues or announces plans to discontinue version. The Contractor shall report on all successful and unsuccessful application of such releases, patches, and fixes. The Contractor shall provide a detailed test plan and results for all maintenance, and an implementation plan including backout procedures for the Authority’s review and approval. Unless otherwise stipulated in the pricing sheets, and agreed to by the Authority, there shall be no additional compensation for these upgrades.
4. **Expanded Functionality of Product or Service** – The Contractor shall be responsible for services associated with extending the functionality of the hosted MS Exchange environment as deployed by or for the Authority. This may include “bolt-on” third-party products complementary to the software.
5. **Disaster Recovery Planning and Support** – The Contractor shall develop for the review and approval of the Contract Manager a disaster recovery plan to recover all systems and data under maintenance within the Scope of Work outlined in this RFP. The Disaster Recovery Plan shall be submitted for review within 60 calendar days after the commencement of the contract. The Contractor shall be responsible for periodically updating the plan, performing periodic disaster recovery tests or in the enactment of a real disaster recovery operation. Periodic disaster recovery tests must be performed with the results provided to the Authority’s System Manager. The Contractor shall be responsible for performing all available disaster recovery services it provides to the Authority unless otherwise mutually agreed to by the Authority and the Contractor.

6. **Best Practices** – The Contractor shall be responsible for providing pro-active system monitoring, alerting, security, notifications, and reporting in accordance with the Authority’s Standards and Guidelines for Technology, and at a level consistent with acceptable best practices. It is understood that the Authority’s Standards and Guidelines for Technology as well as acceptable best practices are evolving and changing during the duration of this agreement. The Contractor shall be responsible for maintaining current and up-to-date best practices and standards throughout the duration of the Contract.

**2.1.2 Providing performance monitoring for the hosted services and their components’ configuration, including but not limited to:**

1. **Troubleshooting** – The Contractor shall be responsible for correction of all production problems related to the hosted service environment. The Contractor shall investigate and diagnose system problems that result in unsatisfactory system performance, and take steps to remedy the problem.
2. **Tuning** – The Contractor shall be responsible for all functions related to the tuning of the hosted service environment configuration to ensure an efficient and effective system performance.
3. **Release Upgrades** – The Contractor shall be responsible for any adjustments to the service environment configuration required for new releases and changes of the hosted MS Exchange environment or third-party software suppliers.
4. **Best Practices** – The Contractor shall be responsible for providing pro-active system monitoring, alerting, security, notifications, and reporting in accordance with the Authority’s Standards and Guidelines for Technology, and at a level consistent with acceptable best practices. It is understood that the Authority’s Standards and Guidelines for Technology as well as acceptable best practices are evolving and changing during the duration of this agreement. The Contractor shall be responsible for maintaining current and up-to-date best practices and standards throughout the duration of the Contract.

**2.1.3 Providing Systems Administration for the hosted service and server environment configuration, including but not limited to:**

1. **Domain Directory Administration** – The Contractor shall be responsible for the maintenance, synchronization and upgrade of the hosted Microsoft’s Active Directory used for the MS Exchange resource domain/forest. The Contractor shall provide at least two Active Directory (AD) controllers dedicated to the Authority’s Hosted Exchange Email Services environment. These controllers will both act as Global Catalog servers. The Contractor shall be responsible for recommending and implementing changes in the directory structure to maintain the security, integrity and proper working functionality of these directory services.

The Contractor will accept updates in batch or automated format from the Authority. When new users are added to the Authority’s AD environment that also require mail accounts, these AD objects and the associated mailboxes will be linked to the associated user object in the Authority’s corporate Active Directory structure (as “linked mailboxes”). The Authority will also provide updates to the Contractor to a user’s attribute/properties such as telephone, department, job title, and location that typically show up in their Outlook Properties areas, as well as to the user’s custom Exchange attributes. The Contractor will import those “Global Address Book”/Active Directory changes. The Contractor is not responsible for the Authority’s corporate Active Directory forest.

2. **Troubleshooting** – The Contractor shall be responsible for correction of all production problems related to the hosted environment including MS Exchange, Windows, Active Directory system software, and third-party software and configurations. The Contractor shall investigate and diagnose system problems which result in unsatisfactory system performance and take steps to remedy the problem.
3. **Tuning** – The Contractor shall be responsible for all functions related to the tuning of the system software to ensure an efficient and effective service for both the online user population and, as applicable, batch or scheduled processing in the hosted environment such as backups or import of Global Address Book changes.
4. **Release Upgrades** – The Contractor shall be responsible for any adjustments required for new releases in the hosted service environment such as for Windows and Exchange system or third-party software.
5. **Best Practices** – The Contractor shall be responsible for providing pro-active system monitoring, alerting, security, notifications, and reporting in accordance with the Authority’s Standard and Guidelines for Technology, and at a level consistent with acceptable best practices. It is understood that the Authority’s Standard and Guidelines for Technology as well as acceptable best practices are evolving and changing during the duration of this agreement. The Contractor shall be responsible for maintaining current and up-to-date best practices and standards throughout the duration of the Contract.

#### **2.1.4 Responsibility for PC client support of the MS Exchange/Outlook environment, including but not limited to:**

1. **Troubleshooting** – The Contractor is not responsible for correction of MS Exchange/Outlook production problems related to the deployment of the software to the Authority’s desktop devices. Changes to the desktop are the Authority’s responsibility. Troubleshooting at the desktop will be performed by the Authority’s staff. The Authority’s Support Desk staff and IT operational staff may refer problems that are suspected of having hosted service-related issues to

the Contractor's Support Desk for diagnosis, support and resolution. The Contractor shall provide troubleshooting assistance in these instances. The Proposer's proposal should not include the cost of personnel for troubleshooting site visits, nor should your proposal factor in the need to have on-site staff to perform these troubleshooting site visits. The Support Desk coordination of this effort will be the responsibility of the Authority's Support Desk function.

- 2. Implementing Desktop Changes for release upgrades and required Outlook patches as needed** – The Contractor shall be responsible for researching relevant changes to the Outlook or BlackBerry Desktop clients and recommending any needed changes in the Authority's environment in support of planned changes in the Contractor's hosted service environment. Remote access nor on-site visits to desktops will not be performed by the Contractor's staff.

**2.1.5 The Contractor Shall Be Responsible for performing the following hosted service environment administrative tasks including but not limited to:**

**Request management, assessment, and fulfillment**

- 1. Request Management** – Meet or discuss with the Authority's System Manager (and customer liaisons) as needed to assess the best way to implement customer business requirements which may include, but not be limited to, implementation of new services, or expanded use of existing or new features in the hosted service environment including MS Exchange, BlackBerry, wireless messaging options, archiving, collaboration, etc. In the past, requests of this nature included establishing Outlook Web Access service, BlackBerry Enterprise Server service, ActiveSync service, anti-spam service, expanded virus protection layers, limited use of public folders for workgroup collaboration, including e-mail-enabled public folders, shared calendaring functions, and specialized mailbox usage. Work related to assessment and fulfillment of these requests will be subject to approval by the Authority.

**Configuration management**

- 1. User Account Management** – Creation and modification of hosted Exchange resource forest/domain user accounts and mailboxes as needed. The Authority's Support Desk normally handles this function, but assistance may be required and depends on the functionality of the supplied tools by the Contractor.
- 2. Mobile Device Management** – Creation and maintenance of BlackBerry and ActiveSync user access as needed. The Authority's IT staff/Support Desk normally handles this function, but assistance may be required and depends on the functionality of the supplied tools by the Contractor.
- 3. Conference Room/Equipment Management** – Creation and modification of hosted Exchange resource forest/domain accounts and mailboxes for conference rooms and other items such as teleconferencing video equipment as Room and Equipment mailboxes (resources). Process conference room so that it

- automatically responds to all meeting organizers' requests for calendar meetings using an auto-accept/deny utility to provide appropriate e-mail notifications.
4. **Distribution List Management** – Creation and maintenance of distribution lists as needed. This function is normally handled by the Authority's Support Desk but assistance may be required and depends on the functionality of the supplied tools by the Contractor.
  5. **Mail Contacts (Custom Recipient) Management** – Creation and maintenance as needed. This function is normally handled by the Authority's Support Desk but assistance may be required and depends on the functionality of the supplied tools by the Contractor.
  6. **Public Folder Management** – Creation and maintenance as needed including Public Folder lock downs, e-mail-enablement and "Send As" permission assignments and requests for Public Folders creation as needed. This function is normally handled by the Authority's Support Desk but assistance may be required and depends on the functionality of the supplied tools by the Contractor.
  7. **Configuration Management of hosted services (Exchange service, BlackBerry Enterprise Server service, ActiveSync service, Spam and Virus Protection services, and other provided services)** – Creation and modification of hosted services' configurations, policies, notifications, and accounts based on Authority requirements.

### **Maintenance management**

1. **File and Data Maintenance** – Perform file and data maintenance on regular and as needed basis. This includes logical and physical cleanups, reorganizations, and integrity checks.
2. **Backups** – Perform scheduled local data, applications and system backups as specified by the Authority and as determined by best practice. This shall include the proper storage of media, rotated off-site and maintained as appropriate. The backup media needs to be encrypted and the methodology described which will also permit for disaster recovery by the Authority, if needed. The Contractor shall perform tests to verify that the backup media can be used for restoring data/files. These tests shall be performed at least twice annually. The backup solution should work at a speed that ensures that backups do not impact service availability. Backups are to be performed regularly as set forth in Section 2.2.
3. **Exchange Optimization and Best Practices Tools** – Run at periodic intervals to verify the system resources and configuration whenever problems arise or the activity is planned or after server configuration changes.
4. **Virus Control** – Update virus signature files as they become available and update virus engine/programs as necessary. The Contractor shall also monitor and respond appropriately to all security alerts related to viruses, intrusion and other anomalies and the Contractor shall report all critical security alerts related to viruses, intrusion and other anomalies immediately to the Authority's Contract Manager.
5. **Spam Control** – Update spam-related signature files/lists as they become available, and fix problems as needed to keep the service successful.

**Monitoring, alerting, resolution, and reporting management**

1. **Monitoring of the hosted services** shall be performed on a 24 x 7 basis to verify that service is secure, reliable, available and acceptable and that service levels are being met. This includes internal and Internet mail flow and BlackBerry service monitoring to verify all interfaces within and between the hosted MS Exchange environment, including BlackBerry, and any third party service provider for contracted services such as spam and virus protection, and the Authority's SendMail server for the transfer of electronic mail to and from the hosted service and the Internet are functioning properly. Alerts are issued if problems develop and the Contractor's support staff addresses the problems with appropriate escalation procedures.
2. **Regular service components review** - On a scheduled basis the Contractor shall review the provided services and their components, including, but not limited to, internal and external message flow and queues, allocated and used database sizes, operating system, system software, database, application, security, and error logs, check the hardware and software components of the systems used for hosted services to ensure that all components are present and securely operating within specified parameters and where necessary perform corrective action. This may include, but is not limited to, defragmenting disk files or information stores, purging obsolete files, and the application of patches and fixes. The Contractor shall monitor the integrity and synchronization of Exchange databases and Active Directory data.
3. **Reporting of Hosted Services Status** - The Contractor shall report on the hosted services status, including services-related statistics, and on deficiencies and anomalies to the Contract Manager.
4. **Security Administration and Configuration Review** – Periodic execution of network and Windows security review software with review, reporting to the Authority, and planned modification for resolution of identified weaknesses or problems. The Contractor shall review and monitor the security configurations, user accounts, passwords, and user security permissions that are established for all components of the services the Contractor is responsible for. These include the operating system, database, application, file system rights, web services and applicable middleware software.

The Contractor shall review and monitor the security associated with information transfers between the systems hosted and managed by the Contractor and the Authority.

The Contractor will adhere to all policies and practices outlined in the Authority's security policies, which conform to the ISO 27001 and ISO 27002 standards and guidelines. The Contractor shall provide annually an updated SSAE 16 SOC 2 (previously known as SAS 70 Level 2) report and ISO 270001 certification. This includes, but is not limited to, quarterly audits of each system to verify appropriate configuration settings and monitoring of inactive accounts. The Contractor shall

provide system access and reasonable assistance to the Authority's External and Internal Audit staff or its consultants in the performance of financial, system, security and operational reviews including producing specific requested information, extraction of data, reports and including the loading, configuration and execution of specific software. In addition, the Contractor shall support requests related to audits of the service level agreement and administration tasks and functions covered by the contract. This participation is part of the ongoing routine maintenance of systems and shall not be considered extra work.

**2.1.6 Responsible for performing the following 2<sup>nd</sup> and 3<sup>rd</sup> level MS Exchange and related services Support Desk functions including but not limited to:**

- 1. Receive All MS Exchange Environment-Related Referrals** - The Authority's Support Desk operates 24 x 7 and serves as first contact for the reporting, resolution, referral and tracking of computer problems, including MS Exchange environment issues. The Authority's Support Desk will either address the problems or requests directly, work with the Contractor's Support Desk, or refer to the request, issue, or problem to the Contractor's Support Desk depending on the request, issue or problem. The Authority's Support Desk maintains a tracking system which will track all requests and problems referred to third parties including the Contractor. The Contractor's Support Desk will maintain its own tracking system for case management and provide the associated tracking number, tracking status and resolution to the Authority's Support Desk, and provide case management status reporting to the Authority's System Manager.
- 2. Provide 2<sup>nd</sup> Level Support Desk Functions** - Support services offered by individuals trained in high-level MS Exchange/Outlook service issues, including most end-user issues, with escalation procedures to 3<sup>rd</sup> level Support Desk support.
- 3. Provide 3<sup>rd</sup> Level Support Desk Functions** - Support services offered by individuals trained in the most complex MS Exchange/Outlook service issues, including matters dealing with the hosted services and related MS Exchange, BlackBerry, ActiveSync, Active Directory and Windows server operating system and third-party system software and network matters.
- 4. Provide Explicit Escalation Procedures** – The Contractor will have in place documented escalation procedures for dealing with complex problems in order to expedite resolution including those involving other areas of the Contractor's data center operations as well as for third-party hardware or software vendors.
- 5. Provide Secure Remote Access** - System operations and administration shall also include allowing for secure remote access administration by Authority staff for various tasks including, but not limited to, add/change/delete for users, contacts, distribution lists, public folders, rights and permissions, and depends on the functionality of the supplied tools by the Contractor

**2.2 Service Level Agreement (SLA)**

The Contractor must respond to all reported problems associated with the hosted MS Exchange services and related hosted services in a timely fashion.

The Contractor shall provide monthly reports showing the performance against all the SLA standards. Please refer to Service Level Agreement Performance Targets, Metrics and Penalties, included below for additional performance standards and penalties. The Contractor shall meet the following SLA standards unless otherwise specified:

**System availability**

- Service Availability (24 x 7 service availability for all contracted services - 99.90% scheduled availability.) (Refer to SLAs 1, 2 and 3 below)

**Software releases and Patch Maintenance:**

- Software version upgrades and service packs are deployed within 6 months of general release (with approval of System Manager, unless otherwise mutually agreed upon)

The Contractor shall apply all critical security and operating system patches as determined by the Contractor's security team with concurrence with the Authority's Contract Manager within two (2) business days of their approval by the Authority unless the Authority approves a later deployment date. All other security related patches and service packs shall be deployed within ten (10) business days unless the Authority approves a later deployment date. (Refer to SLA 12 below)

**Operational Requests**

- Service Problems: Providing support for Authority-referred problems with provided hosted services immediately upon notification unless otherwise mutually agreed upon. Problems and responses to the problems will be categorized by the Contractor in terms of severity and impact on service and account for the Authority's business requirements in this determination. (Refer to SLAs 8 and 10 below)
- All routine operational requests shall be satisfied within two (2) business days of problem determination or request (e.g., adding a new user, adding a mailbox, creating a distribution list, creating a public folder). Emergency requests are satisfied as soon as possible but no later than the same day unless mutually agreed upon by the Contractor and the Authority's requestor. (Refer to SLA 9 below)
- Preparing simple ad hoc query reports within two (2) business days, or within one (1) business day for emergency requests.
- Answering general hosted services questions from the Authority's Support Desk or IT operational staff immediately unless further investigation is required. (refer to SLA 8 below)

**Maintenance Management**

**Backups and Recovery**

- Minimum frequency and type of backup (full daily and partial (incremental-if applicable) to be stored at an Authority-approved, Contractor-supplied off-site storage facility each day).
- Thirty day retention of encrypted backup tapes which are then scratched and overwritten.

- All data can be recovered and available to users within four (4) hours of a corrupted database. (Refer to SLAs 4 and 5 below)

### **Data Management**

- The Contractor shall ensure the confidentiality of all data, ensuring that no breaches of the confidentiality occur. (Refer to SLA 6 below)
- The Contractor shall take all steps necessary to maintain the integrity of all mailboxes. Mailboxes that are corrupted on account of an act or omission by the Contractor are covered by this clause. (Refer to SLA 7 below)

### **System Monitoring**

- System monitoring shall be performed adequately to insure service availability for all components of the hosted services. The Contractor shall respond to system monitoring alerts 24 x 7 as required to meet operational needs and must provide the staffing coverage necessary to meet those needs.
- The Contractor needs to ensure compliance with the Authority's Standards and Guidelines for Technology (as shown in Attachment G) and to the control requirements specified in Attachment H. (Refer to SLA 11 below)
- Monthly reports showing the compliance level with all agreed SLAs. These monthly performance reports should be sent to the Authority's Contract Manager by the 5<sup>th</sup> business day of the subsequent month. (Refer to SLA 13 below)

### **Hours of Service**

- The Authority considers the Authority's E-mail environment to be a 24 x 7 operation throughout the year and expects 24 x 7 service from the Contractor.
- Normal Authority business hours are 7 AM to 6 PM, Monday through Friday except for Authority holidays. Many Authority offices and facilities are operated 24 hours a day, seven (7) days a week. Maintenance work is to be scheduled to avoid normal business hours service interruption. The Contractor shall notify the Authority's System Manager for all planned changes, maintenance work, and outages with seven business days notice and obtain the Authority's prior approval for all scheduled work potentially impacting the hosted service. The Contractor shall perform scheduled, after-hours system maintenance upon approval by the Authority's System Manager. Typically maintenance with associated service interruption is performed at the end of each month between Friday 11:00 PM and Saturday 6 AM and allows for the back out of changes in case of problems. Emergency or weekend maintenance work may be scheduled for other times or for lengthier interruptions depending on the nature of the maintenance work. In some instances, specific and ongoing schedule requirements may necessitate the permanent assignment of support staff outside these standard times, e.g., 11:00 PM to 6:00 AM. No claim for extra work will be entertained for these permanent assignments. All work associated with maintenance, whether performed during normal business hours or after hours to minimize operational disruption should be considered part of the normal hours of service and not subject to overtime. Core administration activities, which must take place outside of normal business hours due to production resource availability, are to be considered part of the

contract and are not to be considered extra work.

**Service Level Agreement Performance Targets, Metrics and Penalties**

Service	Service Level	Liquidated Damages for Non-Performance
<p>1. On-line availability of Exchange e-mail services measured monthly</p>	<p>The Contractor guarantees that Availability of the Authority’s production Exchange environment each month will be 99.90%.</p>	<p>20% of the total monthly payments for all E-mail services (excluding BlackBerry and third-party provider service fees) for all mailboxes <u>in each Exchange information store</u> that does not meet the availability requirement as measured that month.</p> <p>Examples of the calculation of remedies.</p> <p>a) Example 1: One or more Exchange information stores becomes unavailable (such as shuts down, or becomes corrupt or is otherwise not servicing customers) each for a period of time greater than 00.10% (99.90% availability) in the month (equal to about .72 hours or 43 minutes in the month assuming 720 hours/month). Liquidated Damages: 20% x % information stores unavailable x Cost of Service.</p> <p>b) Example 2: Both telecom circuits become unavailable at the same time for a period of time greater than 00.10% (99.90% availability) in the month (equal to about .72 hours or 43 minutes in the month assuming 720 hours/month. Failover cannot occur since neither circuit to the Authority is operational. Users do not have full functionality of Outlook MAPI service even if they may have degraded service via OWA. Liquidated Damages: 20% x Cost of Service.</p>
<p>2. On-line availability of Blackberry service (while email service [SLA 1] is available) measured monthly</p>	<p>The Contractor guarantees that Availability of the Authority’s BlackBerry service each month will be 99.90%</p>	<p>20% of the total monthly payments for all Blackberry service if the 99.9% Availability is not met as measured that month.</p> <p>Examples of the calculation of remedies.</p> <p>a) Example 1: All BlackBerry service is unavailable (such as all BlackBerry servers shut down or are otherwise not servicing customers) for a period of time greater than 00.10% (99.90% availability) in the month (equal</p>

Service	Service Level	Liquidated Damages for Non-Performance
		<p>to about .72 hours or 43 minutes in the month assuming 720 hours/month. Liquidated Damages: 20% x Cost of Service.</p> <p>a) Example 2: BlackBerry service is unavailable to a portion of the user population due to an Exchange server not servicing customers for a period of time greater than 00.10% (99.90% availability) in the month (equal to about .72 hours or 43 minutes in the month assuming 720 hours/month. Liquidated Damages: 20% x % of BlackBerry user population impacted x Cost of Service</p>
<p>3. Availability of each third-party service provided as part of this contract (while email service [SLA 1] is available), measured monthly</p>	<p>The Contractor guarantees that Availability of the Authority’s third-party services provided as part of this contract each month will be 99.90%</p>	<p>20% of the total monthly payments for each third-party service provided as part of this contract if the 99.9% Availability is not met as measured that month.</p> <p>Examples of the calculation of remedies.</p> <p>a) Example 1: A third-party service (such as anti-spam) is unavailable for a period of time greater than 00.10% (99.90% availability) in the month (equal to about .72 hours or 43 minutes in the month assuming 720 hours/month. Liquidated Damages: 20% x Cost of Service.</p> <p>b) Example 2: A third-party service is unavailable to a portion of the user population due to an Exchange server not servicing customers for a period of time greater than 00.10% (99.90% availability) in the month (equal to about .72 hours or 43 minutes in the month assuming 720 hours/month. Liquidated Damages: 20% x % of user population impacted x Cost of Service</p>
<p>4. Recovery of Service (non-BlackBerry)</p>	<p>Four-hour recovery time in the event of any unplanned interruption of service with full availability to customer’s pre-existing status.</p>	<p>\$500 per hour or part thereof for each Exchange information store that does not meet the availability requirement after four hours.</p>

Service	Service Level	Liquidated Damages for Non-Performance
		<p>Examples of the calculation of remedies.</p> <ul style="list-style-type: none"> <li>a) Example 1: One Exchange information store out 12.5 hours before recovery of service with full availability to customer's pre-existing status. Liquidated Damages: 12.5 hours – 4 hours = 8.5 hours over x \$500 = \$4,250</li> <li>b) Example 2: Two Exchange information stores out (such as one server with two information stores unavailable) 7 hours before recovery of service with full availability to customer's pre-existing status. Liquidated Damages: 7 hours – 4 hours = 3 hours over x \$500 x 2 = \$3,000</li> <li>c) Example 3: Both telecom circuits are unavailable at the same time for 5 hours before recovery of service with full availability to customer's pre-existing status. Liquidated Damages: 5 hours – 4 hours = 1 hour over x \$500 x 6 stores = \$3,000</li> </ul>
<p>5. Recovery of Service (BlackBerry)</p>	<p>Four-hour recovery time in the event of any unplanned interruption of service with full availability to customer's pre-existing status.</p>	<p>\$200 per hour or part thereof for each BlackBerry service that does not meet the availability requirement after four hours.</p> <p>Examples of the calculation of remedies.</p> <ul style="list-style-type: none"> <li>a) Example 1: BlackBerry service for all users is out 12.5 hours before recovery of service with full availability to customer's pre-existing status. Liquidated Damages: 12.5 hours – 4 hours = 8.5 hours over x \$200 = \$1,700</li> <li>b) Example 2: One Exchange information store is out (or one server with two stores unavailable), impacting approximately 25% of BlackBerry users, for 7 hours before recovery of service with full availability to customer's pre-existing status. Liquidated Damages: 7 hours – 4 hours = 3 hours over x 25% of user population x \$200 = \$150.</li> </ul>

Service	Service Level	Liquidated Damages for Non-Performance
6. Maintaining confidentiality of data	100% confidential	\$1,000 per each breach of confidentiality
7. Maintaining data integrity	100% data integrity	For each incident in which one or more Mailboxes is/are corrupted on account of an act or omission of Contractor, Contractor will issue a \$1,000 credit on the ensuing month's invoice
8. Four-hour response to problems, measured monthly	Minimum 90% of all problem notifications each month responded to within four business hours where a "response" will be defined as an email confirmation of the case number sent to the Authority contact responsible for initiating the case.	2% of each total monthly payment for all E-mail services if the 90% requirement is not met.
9. Routine operational requests for user/group maintenance and directory service modifications satisfied within two (2) business days of call/request	90% of all routine operational requests each month completed within two (2) business days where a "routine operational request" is defined as the following requests: add/modify/delete BlackBerry users, auto-accept scripting of conference rooms, and processing LDIF updates to the Authority's address book. It also includes other requests for any activity that has been requested and responded to at least once every 10 business days for the prior rolling 3 month period and is expected by Contractor to take less than 1 hour to complete.	\$500 per day for each business day (or part thereof) in excess of two (2) business days for each request not completed.
10. Resolution of service calls (problems), measured monthly	<p>Minimum of 90% of all service calls (problems) each month resolved in one (1) business day where a "problem" is defined as a failure of mission critical functionality (including, but not limited to, to sending/delivering internal or external e-mail, BlackBerry service, access to or use of calendar/conference rooms, public folders, anti-virus or anti-spam protection) directly impacting at least 5% of the user population. Contractor will open such requests as Severity 2 cases and will rely on the Authority and its third party call center to identify the user population being affected by any given issue.</p> <p>Resolution of any service call (problem) shall not exceed two (2) business days before being resolved.</p>	<p>2% of each monthly payment for all E-mail services if the 90% requirement is not met.</p> <p>\$500 per day for each business day (or part thereof) in excess of required two (2) business days per service call not resolved.</p>
11. Compliance to the Authority's Standards	100% compliant	\$1,000 per each breach of compliance.

Service	Service Level	Liquidated Damages for Non-Performance
and Guidelines for Technology and adherence to the control requirements specified in Attachment H.		
12. Unless otherwise agreed to by the Parties, application of critical patches to servers will be applied within two (2) business days of release. Non-critical security related patches, fixes and service packs within ten (10) business days of release. Criticality and patch applicability will be determined by Contractor's Security team.	Minimum 90% of all patches, fixes, and service packs deployed to the servers each month within the specified time frame except as otherwise agreed by the Parties.	<p>2% of the total monthly payments for all E-mail services each week past the due date that such patches were to be applied. Contractor has a one-week grace period to rectify the performance after the due date without imposition of the penalty.</p> <p>Example 1: Patches (critical and/or non-critical) were due to be applied October 31. Patches were not applied until November 7 (within one week of due date). No penalty.</p> <p>Example 2: Patches (critical and/or non-critical) were due to be applied October 31. Patches were not applied until November 8 (more than 1 week after due date). Penalty of 2% for all E-mail services that month or 2% of Monthly Cost of All Email Services.</p> <p>Example 3: Patches (critical and/or non-critical) were due to be applied October 31. Patches were not applied until November 15 (more than two weeks after due date). Penalty of 2% for all E-mail services that month for each week beyond the due date plus 7 days or 2% of Monthly Cost of All Email Services x 2 = 4% of Monthly Cost of All Email Services.</p>
13. Contractor will track and report performance on all agreed SLAs in their monthly performance report sent to the Authority's Contract Manager by the 5th business day of the subsequent month.	Contractor will track and report performance on all agreed SLAs in their monthly performance report sent to the Authority's Contract Manager by the 5th business day of the subsequent month.	None

The Authority has included liquidated damages for performance below established performance measures in the Service Level Agreement above. The Authority will actively monitor the Contractor's performance and enforce contracted non-compliance and non-performance clauses by assessing liquidated damages. The Contractor will

track, calculate, monitor and report on performance against the Service Levels above and will adjust invoices accordingly.

Repeated failure to meet the above Service Level Agreement on the part of the Contractor constitutes a material breach of contract and will be cause for the Contractor to be declared in breach of contract regardless of the existence of liquidated damages provisions. In the event the Contractor is declared in breach of contract, the Port Authority shall be entitled to collect liquidated damages up to the time of the declaration of breach, and actual damages arising from the breach suffered by the Port Authority after the declaration of breach.

### **2.3 Interaction With Third-Party Vendors and Service Providers**

The Contractor shall work in harmony with the Authority's third-party vendors and service providers. This includes, but is not limited to, the following:

- Working with Authority staff as needed in contacting third-party vendors such as Microsoft and BlackBerry for the support of the vendor's products; and
- Any coordination activities related to implementation of new release implementations or other associated maintenance fixes or releases.

Hardware and software maintenance, third party technical support agreements, and their associated costs for current or additional hardware or software dedicated to providing the contracted for hosted services will be the sole responsibility of the Contractor and its costs will not be borne by the Authority.

### **2.4 Capacity Management And Performance Monitoring**

The Contractor shall be responsible for monitoring the hosted services and their components' system performance to ensure that performance and response meets the operational needs of the users. The Contractor shall provide non-intrusive services and system monitoring. The Contractor shall take measures to ensure the continued effective operation of the services and related systems through accepted industry capacity management and performance monitoring procedures, including recommending corrective actions to correct capacity and performance inadequacies.

The scope of the capacity management and performance monitoring shall include, but not be limited to, the activities identified below in this section and be in accordance with the Authority's Standards and Guidelines for Technology and best practice.

#### **Capacity Management**

**Maintaining records:** The Contractor shall maintain records on performance and resource usage, message delivery times, user response time, etc. adequate to project needed upgrades to hardware and software based on current

performance and expected growth. Based on industry experience with the growth in e-mail usage, the types of e-mail messages and message sizes, we are anticipating growth.

**Forecasting upgrade needs:** The Contractor shall maintain communication with the Authority System Manager in regard to plans for system expansion or modifications which will impact services, system capacity or performance.

**Tracking resource usage:** The Contractor shall track such items as message traffic, storage utilization, circuit bandwidth utilization, concurrent users statistics to ensure adequate resources will be available for the foreseeable future and to take preventative action to minimize application failure due to insufficient resource levels. The Contractor shall present the status of these findings monthly.

**Tracking licenses:** The Contractor shall track and report to the Authority staff the need to purchase additional licenses, if necessary, when user limits are at risk of being exceeded.

## **Performance Monitoring**

**Maintaining proper allocation of resources:** The Contractor shall monitor the utilization of all service components such as server CPU and memory, disk storage devices, message queues, maximum and concurrent users per server, etc. and, as warranted, make recommendations and, after securing the Authority's concurrence, implement these recommendations to maintain adequate service and system performance.

**Troubleshooting:** The Contractor shall investigate and diagnose service and system-related problems which result in unsatisfactory service or system performance and take steps to remedy the problem.

**Maintaining data structures:** The Contractor shall defragment database files, purge/reorganize datasets, and run physical and logical integrity checks on the information stores on a scheduled and as needed basis to maintain adequate system performance and minimize data corruption issues.

## **2.5 Change Management Administration**

The Contractor will be responsible for ensuring that all changes to the hosted MS Exchange service and related systems occur in a controlled manner. The Contractor shall be responsible for determining that all changes are properly authorized, tested and documented prior to implementation in the production environment, in accordance with a structured maintenance methodology and schedule agreeable to the Authority, and for maintaining a general awareness of changes to the Authority's information infrastructure,

with appropriate back out or reversal procedures. The Authority will inform the Contractor of any planned changes in the Authority’s environment that may have an impact on the Contractor’s hosted services and will work with the Contractor to minimize any service interruptions.

The scope of the change management portion of the hosted services and administration services furnished shall include, but not be limited to, the activities identified below in this section:

**Verification and Control of software:** The Contractor shall verify that no unauthorized software or software configuration changes has been introduced onto the hosted services and the hosted systems. The versions of authorized software and the configurations settings shall be documented and shall be checked to verify that no unauthorized changes have been made.

**Informing the Authority of new software options:** The Contractor shall maintain contact with the technology vendors to stay aware of software upgrades and fixes, and deliver to the Authority a plan and a schedule for recommended implementation of these upgrades and fixes. The Contractor’s structured maintenance methodology should include the Authority’s preference for applying these fixes in scheduled system or application fix “bundles”.

**Maintaining a segregated test environment:** The Contractor shall maintain segregated test environment(s) isolated from the production environment for testing of all changes to software prior to introduction to the production environment.

**Controlling software migrations:** The Contractor shall establish and enforce procedures to ensure only approved changes are implemented by ensuring that:

- modification request notifications have been received by the Authority for all changes to be made to software.
- software version/revision level is identified.
- new application and system software versions are tested prior to use on the production system.
- new application and system software versions are documented.
- where applicable, changes to application software are deposited in escrow by the software vendor.
- documentation of security configurations occurs as agreed to by the Authority.

The Contractor’s implementation of release upgrades must be scheduled to minimize downtime and avoid the Monday to Friday time period from 7 AM to 6 PM, utilizing scheduled and approved off-hours maintenance windows as further discussed in Section 2.2 - Service Level Agreements. All

implementation plans shall include test plan, test results, implementation and back out procedures agreed to by the Authority prior to implementation.

**Maintaining prior versions of software:** The Contractor shall exercise control over software versions, ensuring the proper version of software is migrated and that prior versions are available for roll back in the event of an emergency.

**Testing new software:** The Contractor shall maintain a test environment, procedures for testing, and a set of non-Authority test data and transactions and known results to verify adherence to performance and security standards and the provision of expected software functionality of all existing applications as well as the new software releases. The test transactions shall be updated to include test data for all new conditions arising out of maintenance or enhancement of the system.

All changes must be fully tested and scripted before implementation. Scripts to back out any changes must also be tested and in place in the event of failure. All changes must be documented with the time necessary to implement and clearly identify time milestones when the change must be backed out because of time limitations.

The Contractor shall respond in writing within five (5) business days to all work order requests submitted for specific work under routine maintenance or extra work. The response shall include estimated task duration, implementation date and any additional costs, if any, associated with the work order.

## **2.6 System Documentation**

The Contractor shall establish and maintain a documentation library containing all hardcopy and computer readable documentation. The Contractor will be responsible for ensuring that all documentation needed for the continued performance of the Scope of Work is accurate and available and is in compliance with, at a minimum, a structured maintenance methodology agreeable to the Authority. All such documentation shall be shared with the Authority for performance of IT oversight or audit purposes.

The scope of the system documentation portion of the services furnished shall include, but not be limited to, the activities identified below in this section:

**Establishing a documentation library:** The Contractor shall maintain a documentation library containing all documentation material for software, standards manuals, operational procedure manuals, server builds, software configuration settings for all configurable software used in the hosted services, and shall obtain or produce any needed documentation not currently in the Contractor's possession. All material in or obtained for the documentation library shall be shared with the Authority for performance of IT oversight or audit purposes. Where documentation does exist, the Contractor shall ensure

that at a minimum it meets documentation standards as set in the Contractor's structured maintenance methodology agreeable to the Authority. The Contractor shall ensure that controlled access to documentation materials (hardcopy or electronic) is maintained with authorization of appropriate individuals whether the Contractor's staff or the Authority's to be approved by the Authority's System Manager, especially in the area of security documentation. In similar manner, access to electronic versions of documentation by the Contractor's staff shall also be controlled at the user ID level.

**Maintaining test plans:** The Contractor shall maintain test plans and procedures and results of factory testing, field testing, integration testing, and acceptance testing. This documentation will be used for retesting the system after modifications to software or hardware configuration or fixes to software. The Contractor shall also maintain a file of all test results and evaluation of results along with any recommendations arising out of that testing. All test plans and related files and data shall be the property of the Authority.

Test plan documentation shall include:

- Unit Testing - Create and maintain unit test plans to verify the functioning of the new system component and that it satisfies the requirements.
- System/Integration Testing - Create and maintain test plans to test the entire system with the new component installed to verify the integrity of the system as a whole and to determine that the intended purpose of the new component is achieved.
- Acceptance/User Testing - Create and maintain test plans to verify the functioning of the new component in the production environment for a specified period prior to final acceptance.
- Documentation of security settings as agreed to by the Authority as well as documented explanations why the settings depart from the application defaults.

## **2.7 Coaching and Authority Staff Assistance**

The Contractor shall provide technical support and assistance to the Authority's IT oversight and operational staff, including the Support Desk for all hosted services. The Contractor shall act as the focal point for the Contractor's services and support issues. The Contractor shall provide technical assistance and consultation to the Authority's System Manager regarding existing and new features of MS Exchange, Windows, and other products related to the Contractor's current or potential service offerings. The Contractor's staff may meet with the Authority's staff or third-party staff to discuss

technical issues relating to the hosted services or to the interfaces or interactions between these services and the Authority's technology infrastructure.

The scope of the Authority staff assistance portion of the services furnished shall include, but not be limited to, the activities below in this section:

**Conducting enhancement training:** The Contractor shall conduct training for the Authority's Technology Services Department IT oversight and Support Desk personnel when major upgrades warrant such training to ensure staff are properly trained in the proper procedures associated with the hosted service, support tools, and related systems and can function effectively after training.

**Providing Staff Assistance:** The Contractor shall serve as a resource for the Authority's IT staff as related to the hosted services and related systems such as MS Exchange, BlackBerry, ActiveSync and Outlook functionality. This includes but is not limited to:

- Provide technical support to Authority IT staff and/or Authority vendors relative to the hosted services and related MS Exchange/Outlook/BlackBerry/ActiveSync environment;
- Research and take corrective action on reported hosted service issues including hardware/software malfunctions;
- Participate in internal and external audits as directed by the Authority's System Manager; and
- Other support activities as may be assigned by the Authority's System Manager (e.g., visit/review/implement third-party add-on systems, interface with potential third-party service providers, et cetera).
- Recommend end-user training programs: Executing and conducting end-user training is outside the scope of the contract.

Requests for services may be placed directly by the Authority's staff at any time. The Contractor and the Authority will develop procedures as appropriate to request Contractor services. The Contractor shall provide a 24 x 7 toll-free telephone number for placing service calls. In addition, the Contractor's staff may be notified via cell phone or pager.

## **2.8 Business Resumption Planning**

The Contractor shall work with the Authority's System Manager to participate in activities associated with the Authority's Business Resumption Plan. The Contractor shall be primarily responsible for the portion of the plan concerned with providing continuing hosted services and administration services for the hosted environment. The Contractor shall participate in the implementation and testing of the Authority's Business Resumption plan.

- Testing the plan: The Contractor shall participate with the System Manager in scheduling and conducting any test of the contingency plan, typically annually. In addition, the Contractor shall assist in the quarterly update and validation of the plan.
- Affecting the plan: In case of a disaster involving the hosted service or its ability to provide service to the Authority, the Contractor shall participate in the recovery effort and perform the service provider’s responsibilities identified in the plan.

### **3 Transitioning Services at Start of Contract and Termination of Contract**

#### **3.1 Transition Planning from Current Contractor**

The Contractor will be expected to support an orderly transition from the existing Contractors providing the services to the proposed contract. The Contractor will be expected to actively participate in discussions and agree to written plans that clearly specify the transition period and responsibilities.

#### **3.2 Return of Data and Transition Planning Upon Termination of Contract**

Upon the termination or expiration of the contract, all Authority data, procedures, and documentation material, et cetera stored on electronic media or otherwise, must be returned to the Authority at no additional cost. Any copies held by the Contractor must be purged from their files and storage media within 30 days of termination or expiration of the contract. The Contractor shall furnish a letter from an authorized company representative stating that all such items have been returned or destroyed.

Upon the termination or expiration of the contract, the Contractor is required to assist in the transition to a new service provider to minimize service interruption to the Authority at the end of this contract and in harmony with the Authority and the designated new vendor. The Contractor will be compensated for costs associated with the transition to a new service provider in accordance with Attachment F3 – Section 2 - End of Contract Cost, provided however, if the Contractor fails to render such transition assistance, the Authority has the right, at its discretion, to withhold any payment due to the Contractor, including monthly service payments and any additional costs under the Contract.

#### **3.3 Title of Data**

All data stored in or produced by or through the hosted services and related systems shall at all times be and remain the sole property of the Port Authority. The Port Authority shall have the right to retrieve such data from the hosted services and related systems at all times, including after the Contractor is declared in breach of Contract, in the event of the Contractor’s bankruptcy, in the event of a lien, seizure or restraint on the Contractor’s property, if the Contractor’s property is under the control of a receiver or trustee. To the extent the Contractor is able to assist in such data retrieval, it shall assist the Authority in

such access, including assistance in any legal process which may be necessary to establish the Authority's possession of such data.

### **3.4 Right to Use Contractor Tools**

The Contractor may have implemented specific Contractor-owned or proprietary tools for the management, operation or reporting on the Authority's hosted services. Upon termination for cause or convenience or completion of this agreement, to avoid disruption of operations, the Authority or its designee shall be entitled to use of and access to, any and all Contractor-specific tools or services until such time as they are replaced, and the license granted to the Authority hereunder with respect to such tools shall apply to such use and access. Additionally, maintenance, training, support and documentation shall be furnished.

### **3.5 Right to Acquire Contractor Tools**

Upon termination or completion of this Agreement, the Authority or its designee shall have the right to license or purchase, at the price then currently in effect for its most favored customers, those materials, tools and equipment owned by the Contractor that allowed for the support and operation of the Authority's hosted services. However, if termination is due to the Contractor's breach of this Agreement, this will be at no cost to the Authority and such license or ownership shall be deemed transferred to the Authority at the time of such termination.

It should be noted that if Contractor-owned or proprietary tools are necessary for the continued operation and maintenance of the hosted services, the Contractor shall only use tools that can be transferred to the Authority such that the ongoing support of systems under maintenance is not in jeopardy at the termination of the contract and the Authority shall be advised annually of all such tools in use.

## **4 Annual Best Practices and Cost Review**

On at least an annual basis, the Contractor shall provide the Authority with a review of best practices for the services rendered. Such review shall document standard industry practice with a comparison of how the services are rendered under this contract. In addition to review of best practices, the Contractor shall participate in an annual review of cost for services given industry cost trends and changing market conditions. The Contractor may be required to cooperate with a third party retained by the Authority to assist in such reviews.

**ATTACHMENT E – TECHNICAL ENVIRONMENT**

# **MS Exchange 2007 & Outlook 2007**

# **Technical Environment**

**\*\*\*\*\* Information provided in this attachment is a snap-shot-in-time picture of the Port Authority's MS Exchange2007 / Outlook 2007 Technical Environment as of April 2013 and is not guaranteed.**

## **Design Summary**

The Port Authority's entire user base (approximately 7,900 users) is concentrated in the New York / New Jersey area. It has a modern distributed computing network with full redundancy and high-speed network links between locations. Because of its concentrated user base and large bandwidth, the Port Authority (PA) deployed a single-site Exchange design.

The MS Exchange server and storage infrastructure is owned, maintained and administered by our current service provider in their remote data center. The Exchange infrastructure consists of four Mailbox servers, one BlackBerry Enterprise Server, one Exchange administrator tools server and two Internet SMTP mail servers. These two load-balanced Internet Mail servers also provide anti-virus and content filter e-mail protection and also host Outlook Web Access and ActiveSync services. Each of the four Exchange mailbox servers has three storage groups, each with one mailbox information store; as well as one replicated public folder store. The one public folder store is replicated across all four Exchange mailbox servers. Additional third-party anti-virus, content filtering and anti-spam services are provided through the current service provider. The service provider is our contact point for any hosted service issues with third-party service providers.

All Exchange servers are member servers in an Active Directory (AD) 2003 Domain in the service provider's owned and maintained single-domain Forest, which is composed of two AD controllers created specifically for the Authority's Exchange services. This MS Exchange and AD environment is not shared with the service provider's other clients. The AD user accounts in this forest are disabled and the users' mailboxes are associated with external AD accounts located in an Authority-controlled AD 2003 domain / Forest structure maintained by the Authority at its facilities in New York & New Jersey. The hosted Exchange site is on a Windows resource domain with a one-way trust to the Port Authority's corporate user account Windows domain located on the Port Authority network. This Port Authority Windows domain is used for Windows authentication services when the Outlook client is opened. We require continued use of the Authority's AD corporate user accounts domain for authenticated access to hosted Exchange mailboxes. In addition, the Port Authority hosts DNS servers to satisfy requests from the Outlook client as needed.

The service provider's data center is connected to the Authority's network at the Port Authority Technical Center located in Jersey City, NJ via a DS3 circuit with a backup/fail-over circuit located in the Telecenter, which is located in Staten Island, NY. Our e-mail service provider provides the circuits obtained from different telecommunications carriers for redundancy as a managed and monitored service with up-to-date reporting on bandwidth utilization and communications errors.

The Authority's desktops are maintained and managed by a separate vendor (not part of this contract) and are at a minimum standard of Microsoft Windows XP (SP3), each with Microsoft Office/Outlook 2007 Professional client as the current client interface for Exchange Server. All Authority authorized staff log in through their desktops/laptops to the Authority's maintained Novell e-directory and simultaneously into the Authority's AD directory using a Novell desktop Client. The Authority is in the process of replacing Novell with Microsoft as the sole authentication method.

### **E-mail Environment**

The current service provider designed and supports the current environment's architecture based on acceptable industry standards and best practices. The current e-mail environment is secured based on their security and platform teams' requirements and best practices for all hosted servers. The Proposer is expected to propose their solution, including security-related matters as detailed in the RFP.

Port Authority's E-mail environment is currently configured as described below:

- The vendor-owned and managed E-mail system is comprised of two Client Access/SMTP servers and four Microsoft Exchange 2007/Windows 2008 mailbox servers, a BlackBerry Enterprise Server (Version 5), two Windows 2003 MS Active Directory controllers in a separate AD Forest, and one administrator tools server. The Client Access Servers (CAS) support Outlook Web Access (OWA) and ActiveSync services as well as supporting an SMTP gateway/Relay functionality. Approximately 1,500 users have various BlackBerry devices for wireless e-mail and calendaring synchronization to the Exchange servers. Several dozen staff use corporate mobile devices including Apple iPads/iPhones and Windows Mobile-based devices. Boxtone is currently used only for reporting on BlackBerry devices. The Authority's IT Support staff use the vendor-hosted web-based BlackBerry administration tool.
- Microsoft Outlook 2007 client software is used to access e-mail (via MAPI mail protocol). Most Outlook clients are configured for Online Mode rather than Cached Exchange Mode. Some staff also use Outlook Web Access hosted on the Client Access Servers (CAS). We do not currently utilize the available Outlook Anywhere access method. Some Outlook clients access PST files and others utilize a document management system via an Outlook add-in from OpenText.
- E-mail is protected from spam and viruses on multiple layers. These anti-Spam and anti-virus service options are currently provided through our hosted e-mail service provider in conjunction with the e-mail service provider's front-end Trend Micro (IMSS) SMTP gateway servers at a competitive price. Our experience with the service and security offered by this outsourced service has been very positive. The service has kept considerable amounts of hostile/spam e-mails away from users' mailboxes, with a minimum amount of reported false positives, and offered positive self-service functionality that has been well received by end users. The service provider is our contact point for any hosted service issues. The Proposer should propose their anti-spam and anti-virus solution and communicate any additional costs

and outline the features/services provided. In addition to the McAfee anti-spam and anti-virus service and the Trend Micro server anti-virus products that are provided by the service provider, the Authority has anti-virus protection on its desktops.

- All incoming and outgoing Internet e-mail is directed through our hosted e-mail service provider-supplied third-party service from McAfee (formerly MX Logic) for Spam and virus protection. E-mail is processed through three virus engines with virus-infected messages deleted. All e-mail flagged by the McAfee system as probable Spam is quarantined on the McAfee web site and is not stored on the Exchange servers. Each user has access to their quarantined mail through a daily quarantine report (if they receive Spam) and McAfee's web site console. The quarantine report and web site gives each user the option to securely view what is quarantined, delete what is not wanted, or release selected mail to the user's Inbox. Spam that is left in quarantine for 14 days is automatically deleted. There are individual customer and corporate Allow and Block Sender lists modifiable by the Authority.
- On the e-mail service provider's CAS / SMTP servers, incoming Internet e-mail is accepted only from McAfee. The servers utilize Transport Layer Security (TLS) connection to/from McAfee and opportunistic TLS from McAfee to external e-mail domains Trend Micro's InterScan Messaging Security Suite (IMSS) is used to run these SMTP gateway servers. IMSS also scans the SMTP mail for viruses, blocks unwanted e-mail and e-mail attachments, and attaches a disclaimer to each outgoing message transmitted from the e-mail system based on Authority requirements.
- These front-end servers also act as Client Access Servers (CAS), with Outlook Web Access and ActiveSync services. They receive e-mail destined for the Internet from the back-end Exchange servers. These SMTP servers relay incoming Internet e-mail to various Authority application servers on the Authority's network based on routing tables and accept e-mail from those internal application servers destined to users on the hosted e-mail system.
- Trend Micro's ScanMail for Microsoft Exchange is used on the Exchange back-end mailbox servers to scan the mailbox stores and protect internal message flow.
- The Authority also has McAfee anti-virus software on each desktop.
- There are firewalls and intrusion detection systems between the Authority's network and the e-mail service provider.
- All systems are updated regularly to incorporate any changes from the software vendors. Any Contractor-supplied network equipment is expected to be similarly maintained.
- The servers are currently configured for the following messaging protocols:
  - Messaging Application Programming Interface (MAPI) protocol
  - Simple Mail Transfer Protocol (SMTP)
  - IMAP4 and POP3 mail protocols are disabled.
- There are no legacy e-mail system connectors (such as Exchange 5.5, Lotus Notes, GroupWise) in the Authority's Exchange environment.
- Multiple formats of SMTP addresses are supported. There are seven SMTP domains:

primary of panynj.gov and six others similar to *subdomain.panynj.gov*

- In general, each individual E-mail message and its attachments are currently limited to a maximum of 10MB. There are some exceptions for up to a maximum of 25 MB. We will consider raising this limit for some or all users depending on our future business requirements.
- The current environment allows the Authority's IT staff to view and adjust mailbox sizes as needed by our changing business requirements. We are looking for flexible mailbox size options including 20 MB small mailboxes for little used mailboxes primarily accessed from shared workstations, 300 MB for regular mailboxes; two (2) to four (4) GB mailboxes for about two hundred senior staff, and allowance for greater than four (4) GB mailboxes for approximately two dozen executive staff. Currently the standard user mailbox has the following size limits:
  - Regular Users (Most users)
    - 80 MB - user receives warning notice
    - 90 MB - user is prohibited from sending
    - 100 MB - user is prohibited from sending or receiving
  - Critical Users: (Several hundred users, mostly executives)
    - 125 MB - user receives warning notice
    - 130 MB - user is prohibited from sending
    - 140 MB - user is prohibited from sending or receiving
  - Special Requests (Several hundred users)
    - Some users require different limits than the regular or critical users due to the nature of their work on based on special circumstances. These are typically 30 MB to 200 MB greater than the regular or critical user category.
    - There are about two dozen executives with mailboxes in the 500 MB to 2 GB range. One mailbox is currently at 4 GB.
  - Small Mailboxes (User/Shared Workstation or Kiosk) (Approximately 1,000 users):
    - 8500 KB - user receives warning notice
    - 9500 KB - user is prohibited from sending
    - 10000 KB - user is prohibited from sending or receiving
- Each of the twelve (12) Exchange private information store is using approximately 60 to 85 GB. Each of the four replicated Exchange public information store is using approximately 30 GB. The total allotted data storage is approximately one (1) TeraByte (TB) on various storage devices owned and maintained by the current hosted e-mail service provider. The current average mailbox size is approximately 40 MB. The Authority is not planning to implement a backup/storage solution for hosted e-mail. This hosted e-mail service is utilizing the vendor's off-site server/network/datacenter infrastructure that is implemented and maintained by the vendor. The Proposer must propose their solution for a hosted e-mail environment including backups and storage and how it relates to disaster recovery as part of their proposal.
- This E-mail system also includes group calendaring and workgroup collaboration.
- Conference rooms and other resources such as teleconferencing equipment are

scheduled and invited as rooms or equipment mailboxes with an auto-accept/decline utility with the appropriate message notification configured on the server-side.

- Public Folders are supported based on departmental and agency-wide requirements and, in general, are used for dynamic items for a form of workgroup collaboration. Static documents like corporate policy statements are placed on the corporate intranet (EmployeeNet) and not on the Public Folders. Some public folders are used to receive email from external and internal sources.

## Other Information

### Current Server Software

- Dedicated mailbox servers are Exchange 2007 SP3/Windows 2008 R2. AD and CAS servers are Windows 2003.
- Trend Micro’s IMSS resides on the SMTP servers and scans SMTP messages.
- Trend Micro’s Scan Mail for Microsoft Exchange resides on the Exchange mailbox servers and scans the mailbox flow.

### Mailbox and Resource Breakdown

The user population could be considered to be categorized as varying from light to heavy use. The table below contains approximate numbers for a variety of mailboxes and resources.

ITEM	NUMBER
User Mailboxes (Individual User)	6,900
Small Mailboxes (Individual User, Shared Workstation or Kiosk – not included in above User Mailboxes count)	1,030
Hidden Inactive User Mailboxes (retained for litigation purposes)	340
* Non-Chargeable Items:	
* Room and Equipment Mailboxes (Conference Rooms/Teleconferencing Equipment)	220
* System, Test, Training and Other Generic (Non-User) Mailboxes	321
* Contacts (Custom Recipients)	50
* Public Folders	3,500 (about 150 receive e-mail)
* Distribution Lists	345

- \* The non-chargeable items for mailboxes or addresses are not to be included in the per mailbox pricing.

### **Required Monitoring of E-mail Services**

The service provider monitors the existing E-mail infrastructure and has also established end-to-end monitoring and alerting of the response times for test E-mails sent from and to the Authority's hosted Exchange servers. This monitoring is used to provide early warning of any service delay, slow-down, or interruption.

### **Centralized Backup and Recovery By Current Service Provider:**

- Currently the service provider uses the Exchange feature Local Continuous Replication (LCR) as well as the Exchange online backup functionality to provide backup and recovery capabilities. Daily encrypted backups of our environment are created and backup tapes are stored off-site by the current e-mail service provider in the event of disasters. Information stores can be recovered using LCR or from backup tapes in the event of corruption or other disasters, if needed.
- The Authority's data backup tapes are retained for 30-days and scratched/overwritten. The service provider has arranged for the Authority to have unimpeded access to these tapes in the event of disaster.
- These backup tapes are also used in recovery of the oldest available backup of individual mailboxes for litigation or investigatory purposes. Usually only the oldest (30-day) backup tapes are requested for such purposes.

### **120-day E-mail Retention Policy**

- The Authority has a corporate e-mail retention policy of 120 days.
- We utilize a weekly Exchange Managed Folders mailbox cleanup process based on messaging records management policies to enforce the retention policy on user mailboxes. After 100 days from Receive Date, e-mail is moved to a mailbox's Managed Folders/System Cleanup folder and sub-folders for one week before permanent deletion from the server database by the next weekly execution of that process.
- Items in the mailbox's Deleted Items folder are retained for 7 days prior to purging. Deletion from this folder is based on when the item was deleted (at least 7 days ago) as opposed to how old the item is.
- The Deleted Items Retention Period for items in the Exchange private databases' Dumpster is set to 6 days.
- The Deleted Items Retention Period for Public Folder items is set to 30 days.
- Full and incremental tape backups of the Authority's hosted environment are created daily. These backup tapes are kept for 30 days at an off-site storage facility.
- Exception: Individual mailboxes may be excluded from these mailbox management retention policies based on litigation or other requirements.

### **Remote Access to Mailboxes and Administrative Tools**

- Remote access to user mailboxes is provided by the service provider via Outlook Web Access and ActiveSync services, and via a BlackBerry Enterprise Server. We

are not currently using Outlook Anywhere (formerly known as “RPC over HTTPS”) access.

- BlackBerry and other mobile handheld devices and carrier service are not obtained through the e-mail service provider by the Authority.
- The Authority also provides remote access to users’ mailboxes via a secure, authenticated, Internet-based VPN connection to the Authority’s network and the Authority’s Citrix server environment from which authenticated users access their mailboxes via an Outlook 2007 client. We expect to continue to provide remote access to users utilizing these methods.
- The Authority’s VPN/Citrix environment is currently used to provide the Authority’s Support Desk and other IT support staff with secure remote access to the Microsoft Management tools (Exchange Management Console, Exchange Management Shell, Public Folder Management and Active Directory Users & Computers) and the BlackBerry web-based user management tool for user account, recipient (mailbox and user account, distribution groups, mail contacts) and public folder management and troubleshooting.
- We currently have about 1,500 BlackBerry users and about 40 Active sync users. As BlackBerry technology evolves, we may have a shift to more usage of ActiveSync.

### **Application Integration**

In addition to any other application integration (such as Novell’s DirXML LDAP connector or daily batch upload and import of LDIF updates) mentioned in this document, the following items are part of the current Authority’s application integration environment and requirements.

- The Authority recently acquired a separate, non-hosted mobile device management system (currently Boxtone) managed by the Authority. This deployment currently requires the ability of the Authority’s Boxtone-related account to have read access to the CAS logs of the hosted CAS servers as the extent of the integration, although that may change.
- The Authority has the requirement to have authorized applications access the Exchange resources via Exchange Impersonation and Exchange Web Services. Currently one application has such access to a departmental group of mailboxes.

### **Server Infrastructure**

The Service Provider hosts and maintains a centralized Exchange infrastructure in their data center consists of the following servers:

- Four mailbox Exchange servers:
  - Each mailbox Exchange server contains three separate private information stores and a replica of the public folder information store. There is full-text indexing in the current environment.
  - Each of these mailbox servers also has the Hub Transport role.
- Two front-end, load-balanced SMTP gateway servers / CAS servers:
  - Each front-end server handles Internet-based mail to and from McAfee’s Spam and virus protection services and the service provider’s Exchange mailbox

servers.

- Each front-end server also functions as a Client Access Server (CAS), offering Outlook Web Access (OWA) that has a required customized Authority-branded logon page, and services ActiveSync requests. The OWA servers are load balanced and firewall protected as well as secured utilizing SSL-encrypted connections via a 2048-bit key certificate.
- One BlackBerry Enterprise Server for support of the Authority's BlackBerry devices.
- Two Active Directory domain controllers which also act as a Global Catalog server providing all AD functions including a one-way domain trust with the Authority's AD domain for corporate account authentication.
- One hosted administrator tools server.
- **NOTE:** Three member servers in the current hosted domain/forest are physically located in the Authority's on-site data centers and are owned by the Authority. Two of the three servers also provide administrator tools for the Authority's staff. An additional server is used to provide the current LDAP integration between the Authority's corporate AD account forest/domain and the current hosted environment so that account creation at the Authority's corporate domain triggers an automated creation of an AD account and mailbox in the hosted email environment. Continued use by the Authority's support staff of these servers is expected unless the Contractor provides an adequate alternative technical solution accepted by the Authority. The Contractor is expected to provide and assist with the tools and provide support to the Authority to install on these Authority servers as needed. The Contractor will assist with any Exchange tools required maintenance on these servers and for integration for seamless account creation.

## **Internet Connectivity**

### **Internet Mail Service**

Internet Mail is handled via the "front-end" SMTP servers, which transfer messages between the mailbox and front-end servers and the Internet (and other SMTP systems). The service provider uses Trend Micro IMSS for front-end SMTP servers handling both inbound and outbound Internet traffic. These servers are load balanced and provide fault tolerance for each other. All Internet incoming and outgoing e-mail is passed through external McAfee servers for its spam and virus protection services.

### **E-mail Message Traffic**

E-mail traffic for a typical business day can vary between approximately 35,000 to 100,000 messages processed per mailbox server (peaks have reached approximately 170,000). Evening, overnight, and weekend traffic is substantially less. E-mail traffic for a typical weekend day typically can vary between approximately 5,000 to 20,000 messages processed per mailbox server.

Internet inbound messages for a typical business day can vary between approximately 60,000 to 80,000 messages processed. E-mail traffic for a typical weekend day typically

can vary between approximately 20,000 to 40,000 messages. Monthly total inbound messages vary and are approximately 1,200,000 or about 15,000,000 in 2012. An additional 20 to 30% of emails are denied entry by our anti-spam/anti-virus filtering (approximately 7,000,000 denied and 740,000 quarantined by McAfee in 2012).

Internet outbound messages for a typical business day can vary between approximately 20,000 to 30,000 messages processed. E-mail traffic for a typical weekend day typically can vary between approximately 2,000 to 10,000 messages. Monthly total outbound messages are approximately 500,000 (or about 6,000,000 per year).

Message traffic information is collected by the service provider. The information provided herein represents typical Authority e-mail traffic. Peak usage message traffic data is dependent on numerous factors and are not representative of typical daily traffic. Volume of messages and use of bandwidth should not be part of the financial costs.

### **Inbound E-Mail Flow**

Inbound Internet user sends an e-mail message to user@panynj.gov. Our domain name points to McAfee (a third-party service provider obtained via our hosted e-mail service provider). McAfee scans e-mail for Spam, viruses, and any established content filters and routes accepted email to the current e-mail service provider via secured TLS connections to their SMTP servers.

### **Outbound Mail Flow**

An Authority e-mail user will send an e-mail to user@domain.com. The message is sent from the mailbox to external recipient(s) through McAfee to the target e-mail server domain. Our current e-mail service provider sends e-mail to McAfee via secured TLS connections from their SMTP servers and use opportunistic TLS to target to other domains SMTP servers.

### **BlackBerry and ActiveSync Services**

Our current service provider hosts a BlackBerry Enterprise Server for the Authority. The Exchange servers currently have approximately 1,500 BlackBerry-enabled users. In addition, several dozen staff use corporate mobile devices including Apple iPads/iPhones and Windows Mobile-based devices. Our current service provider does not provide the handheld devices or handheld carrier services, which are and will continue to be provisioned separately.

### **Anti-Spam and Anti-Virus Services**

The current services provided by McAfee (formerly MX Logic) through our current E-mail service provider have the following features:

- Numerous tests to yield a probability score indicating how likely the message is Spam

- Ability to delete or quarantine messages with Spam scores in % range
- Quarantine likely Spam messages before being received by the Exchange servers
- Users alerted to recent quarantined messages via daily e-mail quarantine report (received only if user's incoming e-mails are quarantined since prior report)
- User ability to review, release (allow), or delete their quarantined messages via web site with an easy-to-use web-based console
- User ability to add addresses (via specific address or domains) to their trusted or allowed sender list
- User ability to add addresses (via specific address or domains) to their block list
- Ability to have Enterprise allow and block lists with specific address and/or domains specified
- Ability for Authority IT staff to do customer administration via a web console
- Ability to set policies to delete or quarantine e-mail based on attachment type or extension name
- Ability to selectively use industry-standard blacklists
- Ability for Authority IT staff to set content filtering rules/policies for incoming and outgoing messages
- Inbound and Outbound Virus protection that can handle Zero day attacks

Additionally, the front-end and back-end Exchange servers are protected by Trend Micro IMSS and Scan Mail for Microsoft Exchange. Available Microsoft features are not currently used for these functions.

### **Disaster / Data Recovery**

The service provider provides for disaster recovery capabilities for the hosted services. The service provider has the ability for a four-hour recovery of previously corrupted Exchange data stores; and utilizes a third-party for off-site storage for backup tapes which the Authority has access to. The service provider provides individual mailbox restores for lost data as needed (usually less than one mailbox per month) as well as for legal or investigatory purposes (on an as needed basis).

The current hosted e-mail environment has numerous redundant components. However, it is not currently clustered for server failover nor provisioned for real-time failover to an alternate data center. If the Proposer offers a disaster recovery capability, they should provide details on the disaster recovery service and additional costs, if any, of such services.

### **Support Desk User Account, Mailbox, Conference Room, Recipient, Public Folders and Distribution List Management**

In the current environment, user mailboxes are created by the Authority's IT staff through an automated procedure when the user's Novell account is created via a Novell tool in the Authority's Novell directory environment, which is linked to the Authority's AD domain and the vendor's AD domain via Novell's Identity Manager (DirXML) software for

creation of the AD accounts and the mailbox. The Authority also utilizes Novell directory and related services including Novell's Identity Manager and Identity Vault, to synchronize a user's password, to provide a single password and other user related properties to all other systems. Novell Identity Manager allows PA users to manage their passwords using the native password interfaces in Microsoft Windows. The Authority maintains a Windows 2003 server running a Novell-based LDAP service (DirXML) to allow two-way interchange of user account properties such as E-mail address, telephone numbers, physical locations, department information to be passed to and from the service provider's AD domain and the Authority's Novell Identity Vault. This server is a member server in the service provider's AD domain/forest established for the Authority. This account management process is expected to be replaced by a Microsoft-based directory process by the end of 2013.

In addition, the Authority maintains two additional member servers in the service provider's AD domain/forest established for the Authority that are used to provide Microsoft's Exchange Management Console, Exchange Management Shell, Public Folder Management Console, and Active Directory Users & Computers tools to the Authority's Support Desk for managing mailboxes, mail contacts (custom recipients), room and resource mailboxes (conference rooms/teleconferencing equipment), distribution lists/groups, public folders and the web-based BlackBerry account management tool..

Additionally the Authority obtains LDIF formatted extracts of Active Directory from the service provider and utilizes this extract to provide daily and weekly files in LDIF format with updates to Authority user properties for importing by the service provider into the service provider's AD domain information.

### **Miscellaneous**

- Outlook Forms: The Authority has one Authority-created form in its Outlook Organizational library that is infrequently used. We do not currently have further requirements for use of Outlook forms

### **Case Management**

Issues that surface in the Exchange environment are addressed through case management. The Exchange problems are reported to the service provider by the Authority's Support Desk, and other authorized IT staff and a tracking number is issued. The problem is investigated by the service provider and depending on the issue, the service provider assigns resources. These issues are tracked via a weekly meeting that includes service provider staff, Authority staff, and staff from the Authority's Support Desk, so that all relevant parties can work to resolve issues on a timely basis.

## **ATTACHMENT F – COST PROPOSAL FORMS AND INSTRUCTIONS**

The Proposer should note that the hosted Exchange server infrastructure is not provided by the Authority and is not located on the Authority’s premises. The Proposer has to furnish their own hardware, software, maintenance, OEM vendor support agreements, and licenses, and any other third-party service provider agreements (such as for spam protection services and telecom circuits to connect to the Authority’s two network operations centers). If the service pricing includes the cost for the MS Exchange Client Access licenses, Outlook Client Access licenses, BlackBerry Client Access licenses, and/or Windows 20xx client access licenses for Active Directory authentication for users, these costs should be provided separately. Volume of messages and bandwidth usage should not be part of the financial costs, with the exception of the cost for upgraded supplied circuits if mutually deemed necessary during the course of the Contract.

The Proposer should also note that software and hardware maintenance and its associated costs for all software and hardware utilized by the Proposer for providing this service will be the sole responsibility of the Contractor and will not be borne by the Authority.

The Proposer shall describe its policies regarding “Most Favored Customers” (if any) and address how the value of that policy will accrue to the Authority, such as early access to MS Exchange versions and strategy, training and certification programs, reduced costs, and in the area covering extraordinary events such as disasters (floods, terrorism, etc.).

The Proposer needs to address whether or not the MS Exchange Client Access licenses, Outlook Client Access licenses, BlackBerry Client Access licenses and any other client licenses are included, and at what cost, in the Cost Proposal. The Proposer should refer to Attachment E – Technical Environment for current hosted services information.

Proposals should be marked as described in Section 1.D - Submission of Proposals. The Proposer’s Cost Proposal evaluations will be based upon the anticipated quantities provided in Cost Proposal sheets.

### F.1 Fixed Fee Structures

The Authority prefers that the Cost Proposal be based on fixed fee structures. This fixed fee structure will be the basis for compensating the Contractor for all services referenced in Attachment D - Scope of Work, contained herein. This fixed fee structure, however, must also satisfy all service level requirements documented in the RFP – see Attachment D, Section 2.2.

The Cost Proposal Unit Pricing per Mailbox, for basic services, as well as for required and optional value-added services, shall apply for all mailboxes that fall within the specified range, or a lower range. For example, if we have 7,000 300MB mailboxes, then all 7,000 such mailboxes shall be priced at the cost of 6,001 - 7,500 mailboxes.

The fee structures shall be presented in accordance with the formats outlined in the Cost Proposal Forms and Instructions in Attachments labeled F1, F2, F3, F4, F5 and Attachment F6 – Cost Structure Assumptions and the following subsections.

The Cost Proposal should be based on fixed fee structures as follows:

**F.1.1 - Per User Mailbox Cost Utilizing Windows 2008 and Exchange 2007:**

Provide a recurring monthly fixed fee per user mailbox, based on the total number and size of user mailboxes, for providing service for the Authority's current level of deployment of MS Exchange 2007 as documented in the matrix below. User mailboxes do not include conference room or resource/equipment mailboxes nor mailboxes created for system, generic (nonspecific user), test or training purposes nor contacts (custom recipients) nor mail-enabled public folders. Please use [Attachment F1](#) Section 1. If the service pricing includes the cost for the MS Exchange Client Access licenses, Outlook 20xx client access licenses, BlackBerry Client Access licenses and/or Windows 20xx client access licenses for Active Directory authentication for users, these costs should be separated with the Client Access License costs specified in Attachment F5. Please note that the cost of the following items should be excluded from the price per mailbox cost. Please use the appropriate sections of the price sheets for BlackBerry Enterprise Server (old BlackBerries), Outlook Web Access, ActiveSync, BlackBerry Enterprise Service Mobile Device Management (MDM) (new technology), Email archiving, disaster recovery, virus protection, spam protection, content filtering, filtering of attachments by file type or extension.

**F.1.2A - Per User Mailbox Cost Utilizing Windows 20XX and Exchange 20XX:**

Provide a recurring monthly fixed fee per user mailbox, based on the total number and size of user mailboxes, for utilizing MS Windows 20XX and Exchange 20XX which would include all the monthly ongoing costs of upgrading or replacing the Authority's current deployment of MS Exchange with MS Windows 20XX and Exchange 20XX, where 20XX represents upgraded versions of Windows and/or Exchange such as Windows 2012/Exchange 2013. User mailboxes do not include conference room or resource/equipment mailboxes nor mailboxes created for system, generic (non specific user), test or training purposes nor contacts (custom recipients) nor mail-enabled public folders. Please use [Attachment F1 Section 2A](#). If the service pricing includes the cost for the MS Exchange Client Access licenses, Outlook 20xx client access licenses, BlackBerry Client Access licenses and/or Windows 20xx client access licenses for Active Directory authentication for users, these costs should be separated with the Client Access License costs specified in Attachment F5. Please note that the cost of the following items should be excluded from the price per mailbox cost. Please use the appropriate sections of the price sheets for: BlackBerry Enterprise Server (old BlackBerries), BlackBerry Enterprise Service Mobile Device Management (MDM) (new technology), Outlook Web Access, ActiveSync, Email archiving, disaster recovery, virus protection, spam protection, content filtering, filtering of attachments by file type or extension.

### **F.1.2B –Major Version Upgrades**

The Proposer may be requested to perform a major version upgrade to servers associated with the hosted Exchange environment during the term of the contract such as for an upgrade to Windows 2012/Exchange 2013. The Proposer must provide a unit price for major version upgrades to servers. Please include time restrictions and projected durations associated with upgrades. This price shall be for a one-time upgrade only and not represent an ongoing charge. User mailbox charges shall remain fixed unless Contractor can provide a reduction or demonstrate an increase in cost basis due to the upgrade. The Price must include planning, analysis, testing, training (as described in Sections 1.8 and 2.7) and implementation. If appropriate, the Proposer shall provide unit pricing information based on a total number of user mailboxes up to 11,000. Please use Attachment F1 Section 2B for estimating Major Version upgrade costs.

### **F.2 - Per User Mailbox Added Cost Utilizing Value-Added Services:**

Provide a recurring monthly fixed fee per user mailbox as an added cost for each value-added service you may offer based on the total number of user mailboxes or users of the required or optional value-added service, for providing for or enhancing the Authority's deployment of MS Exchange and its features, Outlook Web Access, ActiveSync, hosting BlackBerry as documented in the matrix below and in [Attachment E – Technical Environment](#). This added cost, if any, is above and beyond the basic fixed cost per user mailbox previously described in items F.1.1, F.1.2A and/or F.1.2B. Some examples of these required value-added services are Outlook Web Access, anti-virus protection, anti-spam protection, wireless messaging including ActiveSync, hosting BlackBerry Enterprise Server (old BlackBerries), and hosting BlackBerry Enterprise Service Mobile Device Management (MDM) (new technology). Some examples of optional value-added services might include Outlook Anywhere, various disaster recovery options, e-mail archiving and retention, secure e-mail, Windows SharePoint services, Fax services, MS Exchange Client Access licenses, Outlook 20XX client access licenses, BlackBerry Client Access licenses and/or Windows 20XX client access licenses for Active Directory authentication for users. Other examples of optional value-added services might include Unified Messaging. Proposers should provide costs for the above value-added services. The Authority has not yet defined its plans, demand nor requirements for all such value-added services such as e-mail archiving, encrypted e-mail (client-to-client nor server-to-server encryption beyond Transport layer Security (TLS) as mentioned in the Attachment E – Technical Environment), Unified Messaging, Instant Messaging and other collaboration options, and Windows SharePoint services (such as portals and team rooms, etc.), but would like the Proposers to respond to this item if they may offer these or other value-added services as part of this contract. Please use [Attachment F2](#). Indicate whether a bundling of value-added services would result in a reduced fee.

This fixed fee structure will be the basis for compensating the Proposer for all services referenced in Attachment D - Scope of Work, contained herein. This fixed fee structure, however, must also satisfy all the service level documented in Attachment D, Section 2.2. This mailbox/user fee structure will be unaffected by the enabling of any features in MS Exchange/Outlook or by volume of messages or varying network bandwidth.

Pricing shall be based on the total number of user mailboxes at the end of the month. To account for growth and for addition or deletion of user mailboxes, the Proposer shall provide unit pricing information for a total number of mailboxes from 1 up to 11,000 user mailboxes. Pricing for user mailboxes and other fees as described herein shall be in the format provided in [Attachment F - Cost Proposal Forms and Instructions](#), Attachments F1 to F5. This format is intended to allow the Proposer to demonstrate the benefits to the Authority due to economies of scale or any unit discounts for volume. It also allows for providing various mailbox size options including twenty (20) MB for little used staff mailboxes, three hundred (300) MB for regular staff mailboxes, and mailboxes of two (2) GB to four (4) GB for senior staff, and mailboxes greater than four (4) GB for executive staff. There must be allowance for regular mailboxes to be at a minimum of 300 MB; approximately two hundred (200) senior staff with mailbox limits of two (2) to four (4) GB; and approximately twenty four (24) executive staff with mailbox sizes at greater than four (4) GB. Ensure to price these various sized mailbox tiers separately, as requested. In the relevant Attachments, the Proposer may enter \$0 for the price per service per mailbox if there is no charge for that item or if it is bundled under other prices provided in the proposal. Please ensure that pricing is provided for all ranges. For information regarding the approximate number of user mailboxes and the current volume of data and its sources refer to Attachment E – Technical Environment. The information provided in Attachment E may not be up-to-date due to the changing nature of the technical environment.

### F.3 Start Up and End of Contract Costs

The Proposer shall use [Attachment F3](#) to specify any one-time start up or termination transition / migration costs related to the beginning or end of the contract such as for dedicated Exchange/BlackBerry server infrastructure, mailbox setup costs, etc. The Proposer is required to assist in the transition to a new vendor, if and when required, and in harmony with the Authority and the designated new vendor, to complete the transition successfully. These costs shall be invoiced when the work has been completed per Attachment B - Section 9 - “Payments”.

### F.4 Labor Rates

The Proposer shall provide applicable hourly labor rates for specific Job Titles or Technical Skills in [Attachment F4](#).

If the hosted MS Exchange environment requires integration with other third-party software products not covered by the fixed fee schedule specified in the Cost Proposal’s

Attachments, the method of compensation will also be based on a one-time work order subject to the Proposer’s proposed fee structure for such integration work.

**F.5 Miscellaneous**

The Proposer shall use [Attachment F5](#) to provide cost for any additional items such as additional mailbox size increase costs, telecommunication circuit costs, client access licenses, message size increase cost, public folder-related costs, service level variations (guaranteed uptime), etc. Additionally, provide a cost for the required integration with the Authority’s Active Directory sources for account/mailbox creation and for updating of the Contractor’s Active Directory forest for user account properties (such as name, job title, telephone number, location) via feed from the Authority. Also include any cost related to the use of Exchange Web Services and Exchange Impersonation features related to integration with the Authority’s applications such as Bridgeway Software LawManager. The Authority has not yet defined its plans, demand nor requirements for all such integration services for the Authority’s applications and databases, such as the Authority’s document management system (Open Text’s LiveLink software).

**F.6 Cost Structure Assumptions**

The Proposer shall use this section [Attachment F6 – Cost Structure Assumptions](#) to provide any information relevant to assumptions made in the Attachment F forms.

**FOR INFORMATIONAL PURPOSES ONLY**

At the time of implementation of this contract the Authority anticipates that the distribution of mailboxes will be as follows:

**NOTE: The Authority does not guarantee that these will be the actual quantities.**

- 20 MB Small mailboxes -- 1050
- 300 MB Regular mailboxes -- 7000
- 2 GB to 4 GB Senior Management mailboxes -- 200
- 4 GB and larger Executive mailboxes -- 24
- 300 MB Resource (conference rooms and equipment) mailboxes -- 220
- 300 MB System, Generic (Non-user), Test, and Training mailboxes –321.

The spreadsheet version of the Cost Proposal pricing sheets can be accessed through the following link: [Attachments F1 to F6](#).

**ATTACHMENT F1 – COST PROPOSAL UNIT PRICING PER MAILBOX – “BASIC SERVICES”**

Section 1 - Windows 2008 and Exchange 2007 – Do not bundle one-time start up cost in this section. Please ensure that pricing is provided for all ranges. Use Attachment F3 Section 1

		Monthly Cost per Mailbox					
	A	B	C	D	E	F	G
Line #	Total # of Mailboxes	Small (20 MB)	Regular (300 MB)	Senior Management (2 GB – 4 GB)	Executive (Greater than 4 GB)	Resource (Conference Rooms and Equipment) (300 MB)	System, Generic, Test and Training (300 MB)
1	1 - 200	\$	\$	\$	\$	\$	\$
2	201 – 400	\$	\$	\$	\$	\$	\$
3	401 – 1000	\$	\$	\$	\$	\$	\$
4	1,001 – 2,000	\$	\$	\$	\$	\$	\$
5	2,001 – 6,000	\$	\$	\$	\$	\$	\$
6	6,001 – 7,500	\$	\$	\$	\$	\$	\$
7	7,501 – 9,000	\$	\$	\$	\$	\$	\$
8	9,001 – 11,000	\$	\$	\$	\$	\$	\$
9	Anticipated Number of Mailboxes	1050	7000	200	24	220	321
10	<b>Price per month</b> Line number	B4	C6	D1	E1	F2	G2
11	Monthly mailbox cost	\$	\$	\$	\$	\$	\$
12	Monthly Cost = Price per month x Anticipated number of Mailboxes	\$	\$	\$	\$	\$	\$
13	Total Monthly Cost = Sum of line 12	\$					
14	Total Cost for Contract (base term) = Sum of line 13 * 48 Months	\$					

For example, if pricing a 300 MB mailbox, this 300 MB represents the mailbox limit above which the user cannot send or receive e-mail. The above costs shall exclude Client Access License costs, which can be included in Attachment F5 entitled Miscellaneous.

**ATTACHMENT F1 – COST PROPOSAL UNIT PRICING PER MAILBOX – “BASIC SERVICES” (continued)**

Section 2A – Windows 20XX and Exchange 20XX – Do not bundle one-time start up cost in this section. Please ensure that pricing is provided for all ranges. Use [Attachment F3, Section 1](#) for one-time start up cost.

		Monthly Cost per Mailbox					
	A	B	C	D	E	F	G
Line #	Total # of Mailboxes	Small (20 MB)	Regular (300 MB)	Senior Management (2 GB – 4 GB)	Executive (Greater than 4 GB)	Resource (Conference Rooms and Equipment) (300 MB)	System, Generic, Test and Training (300 MB)
1	1 - 200	\$	\$	\$	\$	\$	\$
2	201 – 400	\$	\$	\$	\$	\$	\$
3	401 – 1000	\$	\$	\$	\$	\$	\$
4	1,001 – 2,000	\$	\$	\$	\$	\$	\$
5	2,001 – 6,000	\$	\$	\$	\$	\$	\$
6	6,001 – 7,500	\$	\$	\$	\$	\$	\$
7	7,501 – 9,000	\$	\$	\$	\$	\$	\$
8	9,001 – 11,000	\$	\$	\$	\$	\$	\$
9	Anticipated Number of Mailboxes	1050	7000	200	24	220	321
10	<b>Price per month</b> Line number	B4	C6	D1	E1	F2	G2
11	Monthly mailbox cost	\$	\$	\$	\$	\$	\$
12	Monthly Cost = Price per month x Anticipated number of Mailboxes	\$	\$	\$	\$	\$	\$
13	Total Monthly Cost = Sum of line 12	\$					
14	Total Cost for Contract (base term) = Sum of line 13 * 48 Months	\$					

For example, if pricing a 300 MB mailbox, this 300 MB represents the mailbox limit above which the user cannot send or receive e-mail. The above costs shall exclude Client Access License costs, which can be included in Attachment F5 entitled Miscellaneous.

**ATTACHMENT F1 – COST PROPOSAL UNIT PRICING PER MAILBOX – “BASIC SERVICES” (continued)**

Section 2B – One-Time Cost for Major Version Upgrade such as Exchange 20XX. Please ensure that pricing is provided for all ranges.

Line #	Total # of Mailboxes	One-Time Total Cost Per Mailbox
1	Up to 6,000	\$
2	6,001 – 7,500	\$
3	7,501 – 9,000	\$
4	9,001 - 11,000	\$

**OR**

One-Time Fixed Fee
\$

If not a fixed fee,

One-Time Cost for Major Version Upgrade cost

= 8815 x Cost per mailbox (line 3) = \$

**One-Time Cost for Major Version Upgrade such as Exchange 20XX = \$**

If both a price per mailbox and a one-time fixed fee are provided, then the Authority will use the lower number for cost evaluation purposes.

**ATTACHMENT F2 – COST PROPOSAL UNIT PRICING PER MAILBOX – “VALUE-ADDED SERVICES”**

		<b>Monthly Cost per Mailbox for each <u>Required</u> "Value-Added Service"</b> (Please ensure that pricing is provided for all ranges.)						
		<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>
<b>Line #</b>	<b>Total # of Mailboxes</b>	<b>Anti-Virus Service</b>	<b>Anti-Spam Service</b>	<b>Outlook Web Access</b>	<b>BlackBerry Enterprise Server</b>	<b>ActiveSync / Mobile Server-side Support</b>	<b>BlackBerry Enterprise Service MDM</b>	
1	0 - 500	\$	\$	\$	\$	\$	\$	
2	501 - 1,000	\$	\$	\$	\$	\$	\$	
3	1,001 - 2,000	\$	\$	\$	\$	\$	\$	
4	2,001 - 3,000	\$	\$	\$	\$	\$	\$	
5	3,001 - 4,000	\$	\$	\$	\$	\$	\$	
6	4,001 - 6,000	\$	\$	\$	\$	\$	\$	
7	6,001 - 7,500	\$	\$	\$	\$	\$	\$	
8	7,501 - 9,000	\$	\$	\$	\$	\$	\$	
9	9,001 - 11,000	\$	\$	\$	\$	\$	\$	
10	Anticipated Number of Mailboxes	8815	8815	8815	1500	50	Unknown	
11	<b>Price per month</b> Line number	B8	C8	D8	E3	F1		
12	Monthly mailbox cost	\$	\$	\$	\$	\$	\$	
13	Monthly Cost = Price per month x Anticipated number of Mailboxes	\$	\$	\$	\$	\$	\$	
14	Total Monthly Cost = Sum of line 9	\$						
15	Total Cost for Contract (base term) = Sum of line 10 * 48 Months	\$						

**ATTACHMENT F2 – COST PROPOSAL UNIT PRICING PER MAILBOX – “VALUE-ADDED SERVICES” (continued)**

	<b>Monthly Cost per Mailbox for each <u>Optional</u> "Value-Added Service"</b> (Please ensure that pricing is provided for all ranges.)					
	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>
<b>Line #</b>	<b>Total # of Mailboxes</b>	<b>Secure E-Mail</b>	<b>Unified Messaging</b>	<b>E-mail Archiving Service</b>	<b>Other Value-Added Service (Describe):</b>	<b>Other Value-Added Service (Describe):</b>
1	0 - 500	\$	\$	\$	\$	\$
2	501 - 1,000	\$	\$	\$	\$	\$
3	1,001 - 2,000	\$	\$	\$	\$	\$
4	2,001 - 3,000	\$	\$	\$	\$	\$
5	3,001 - 4,000	\$	\$	\$	\$	\$
6	4,001 - 6,000	\$	\$	\$	\$	\$
7	6,001 - 7,500	\$	\$	\$	\$	\$
8	7,501 - 9,000	\$	\$	\$	\$	\$
9	9,001 - 11,000	\$	\$	\$	\$	\$
10	Anticipated Number of Mailboxes	8815	8815	8815	8815	8815
11	<b>Price per month</b>					
	Line number	B8	C8	D8	E8	F8
12	Monthly mailbox cost	\$	\$	\$	\$	\$
13	Monthly Cost = Price per month x Anticipated number of Mailboxes	\$	\$	\$	\$	\$
15	Cost for Contract (base term) = Sum of line 11 * 48 Months	\$	\$	\$	\$	\$

**ATTACHMENT F3 – START UP AND END OF CONTRACT COSTS**

**Section 1 – START UP COST**

Line #	Total # of Mailboxes	One-Time Total Cost Per Mailbox	OR	One-Time Fixed Fee
1	7,000 – 9,000	\$		\$

If not a fixed fee,  
One-Time START UP COST =

8815 x Cost per mailbox (line 3) = \$

One-Time START UP COST = \$

**Section 2 – END OF CONTRACT COST**

Line #	Total # of Mailboxes	One-Time Total Cost Per Mailbox	OR	One-Time Fixed Fee
1	Up to 6,000	\$		\$
2	6,001 – 7,500	\$		
3	7,501 – 9,000	\$		
4	9,001 - 11,000	\$		

If not a fixed fee,  
One-Time END OF CONTRACT COST =

8815 x Cost per mailbox (line 3) = \$

One-Time END OF CONTRACT COST = \$

If both a price per mailbox and a one-time fixed fee are provided, then the Authority will use the lower number for cost evaluation purposes.

**ATTACHMENT F4 – Hourly Labor Rates for Extra Work**

Business-Hours rates shall apply Monday to Friday 7:00 A.M. to 6:00 P.M. except Port Authority holidays. Off-Hours rates shall apply at all other times except as otherwise described in the RFP

	Hourly Labor Rates Business- Hours		Hourly Labor Rates Off-Hours	
	System Administration	Engineering/ Design/ Analysis	System Administration	Engineering/ Design/ Analysis
<b>Technical Skill</b>				
<b>Application System</b>				
Exchange 20XX				
Outlook Client				
<b>Operating System</b>				
Windows OS				
Windows Active Directory				

	Hourly Labor Rates Business- Hours		Hourly Labor Rates Off-Hours	
	System Administration	Engineering/ Design/ Analysis	System Administration	Engineering/ Design/ Analysis
<b>Job Title</b>				
<b>Project Management</b>				

**NOTE: Proposers may propose additional skill sets using the blank lines above.**

**ATTACHMENT F5 – Miscellaneous**

**Additional Storage: 100 MB per Mailbox (Cost for increments of 100 MB per user)**

	<b>Column A</b>	<b>Column B</b>	<b>Column C</b>
<b>Total # of Mailboxes</b>	<b>Monthly Unit Cost Per Additional 100 MB Mailbox</b>	<b># of Months (base term)</b>	<b>Total</b>
1 – 1,000	\$	48	
1,001 – 2,000	\$	48	
2,001 – 4,000	\$	48	
4,001 - 6,000	\$	48	
6,001 – 7,500	\$	48	
7,501 – 9,000	\$	48	
9,001 - 11,000	\$	48	

**OR**

<b>Total # of Mailboxes</b>	<b>One-Time Total Cost Per Mailbox</b>
1 – 1,000	\$
1,001 – 2,000	\$
2,001 – 4,000	\$
4,001 - 6,000	\$
6,001 – 7,500	\$
7,501 – 9,000	\$
9,001 - 11,000	\$

**OR**

<b>One-Time Fixed Fee to add 100 MB per user</b>
\$

**ATTACHMENT F5 – Miscellaneous (continued)**

Telecommunications Service (including one circuit and network equipment - provisioning, maintenance, monitoring, et cetera to each of two Authority Network Operations Center) **pricing should be based on a five (5) year term period.**

Telecommunications Service Circuit Bandwidth (one circuit for each of two facilities to Contractor's data center)	One Time Startup/Change Cost for Both Circuits		Monthly Recurring Cost for Both Circuits		# of Months (base term)	Total
	PATC	Telecenter	PATC	Telecenter		
<b>Capacity of Each Circuit's Bandwidth</b>						
15 Mbps	\$	\$	\$	\$	48	
30 Mbps	\$	\$	\$	\$	48	
<b>45 Mbps</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>48</b>	
50 Mbps	\$	\$	\$	\$	48	
60 Mbps	\$	\$	\$	\$	48	
75 Mbps	\$	\$	\$	\$	48	
90 Mbps	\$	\$	\$	\$	48	
100 Mbps	\$	\$	\$	\$	48	

Total = Sum of One Time Startup Costs + 48 \* Sum of Monthly Recurring Costs

**ATTACHMENT F5 – Miscellaneous (continued)**

**CLIENT ACCESS LICENSES FOR** \_\_\_\_\_ (Describe)

Total # of Mailboxes	One-Time CAL Cost Per Mailbox
1 – 1,000	\$
1,001 – 2,000	\$
2,001 – 4,000	\$
4,001 - 6,000	\$
6,001 – 7,500	\$
7,501 – 9,000	\$
9,001 - 11,000	\$

OR

<b>One-Time Fixed Fee</b>
\$

**Contract Base Period -- Estimated Grand Total Cost = \$**

The Contract Base Period -- Estimated Grand Total Cost shall be calculated as the total of Total Cost of Mailboxes for Base Contract Period (48 Months) + One-Time Cost for Major Version Upgrade such as Exchange 20XX + Base Period Cost for Required Value-Added Services + Start Up Cost + End of Contract Cost + Telecommunications Circuit cost for base period.

**ATTACHMENT F6 - Cost Structure Assumptions  
& Assumptions & Notes**

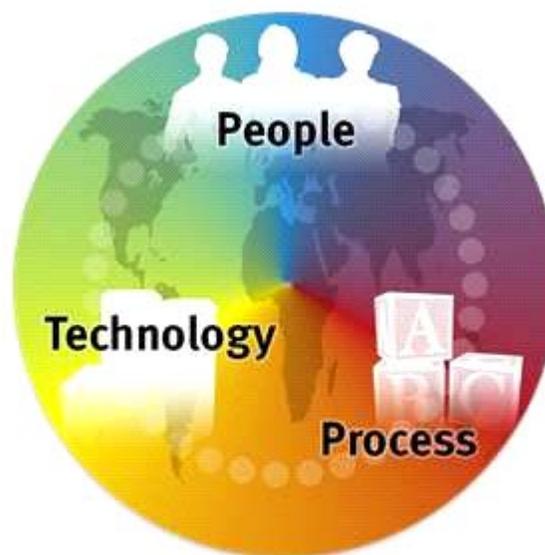
Please provide any assumptions or notes to clarify and/or explain the cost structure submitted. Use additional sheets/pages if required.

<b>Attachment</b>	<b>Assumption/Notes/Clarifications</b>
F1 Cost Proposal Unit Pricing Per Mailbox – “Basic Services”	
F2 Cost Proposal Unit Pricing Per Mailbox – “Value-Added Services”	
F3 Start Up And End Of Contract Costs	
F4 Hourly Labor Rates for Extra Work	
F5 Miscellaneous	

**THE PORT AUTHORITY OF NY & NJ**

**Attachment G – Port Authority Technology Standards and Guidelines**

(For distribution with RFP's)



Technology Services Department

Version 7.4.1  
4/15/2013

(PREPARED FOR RFP: Hosted Microsoft Exchange E-Mail and Administration Services RFP)

## **1.0 Introduction**

The purpose of this document is to communicate the standards established by the Port Authority Technology Services Department (TSD) and provide guidance in proposing Information Technology (IT) solutions for the Authority.

To that end, these guidelines intend to help RFP Submitters do the following:

- Implement computing and networking solutions that ensure the utmost reliability, availability and security.
- Procure hardware and software that advances business needs in a manner that is compatible in an ever-changing IT environment that enables departments to work with each other more effectively.
- Easily and efficiently communicate and exchange information throughout the agency.
- Achieve greater systems integration so that the application will be interoperable resulting in cost effectiveness and quality control.
- Adherence to these standards ensures that IT investments achieve Enterprise connectivity, interoperability, consistency, and will enhance performance in a cost-effective way.

## **2.0 Enterprise Network Architecture**

The Authority operates an extensive network of Enterprise file, print and application servers. These devices are linked to an Enterprise Wide Area Network. The flexibility provided by the use of multiple servers, server clusters and Storage Area Networks (SAN) offers users improved network response, greater reliability, increased data security and reduced operating cost. Adherence to the standards outlined in this section allows the Authority to manage their systems, applications and data in a way that best meets our business needs while maintaining interoperability and safeguarding Port Authority's information assets.

### **2.1 Server Operating System and Software**

All Enterprise File & Print services in the Port Authority are currently, based on the Windows Operating System. Microsoft Windows, Linux and Sun Solaris are supported as application servers when required for functionality.

In addition to the base operating system, all servers must include the following components:

- Virus Protection (minimum: McAfee Engine 8.5.0i, with current DAT files)
- Network Security
- Remote Monitoring and Management

- Intrusion Detection
- Mainframe Systems Backup (minimum: Upstream 3.5.0c)
- Uninterrupted Power Supply (If central UPS is not installed at the location)
- Current Service Packs and security patches (minimum: SP1)

Note: All operating system and server software shall be provided and configured by the Technology Services Department prior to connection to PAWANET.

### **2.1.1 Configuration**

All network devices--including servers, workstations, network printers, and network faxes--must use IP addresses which conform to the standards outlined in sections, 1.9 Enterprise Addressing Scheme, and 2.3.1, Server Names. System Administrators may refer to the [Guide to System Administration](#) for specific instructions on how to install and configure the Windows operating systems.

#### **2.1.1.1 Drive Mapping Conventions and Organization**

Mapping of workstation drive pointers to SAN or server disk volumes or folders is accomplished through a Windows Active Directory Login Script or the Microsoft equivalent. The following drive letters are reserved for Windows Active Directory installations:

Pointer	Volume or Folder
M:	Reserved
P:	Public Applications
Q:	Installation and Upgrade Utilities
S:	Departmental shared directories and files
T:	Reserved
U:	Users Private Home Directory

- Public (Shared) application software installed on a file and print server cluster must reside on a separate volume named "APPS".  
Example: P:\APPS
- Each software application installed on the file and print server, or server cluster, must have its own sub-folder.  
Examples: P:\APPS\EXCEL  
P:\APPS\WORD
- Shared Data stored on a file and print server cluster, shall reside in a volume named Data, and shall be mapped to the "S:\" drive pointer.  
Example <Cluster\_name>:\DATA\<Department\_NAME>\SHARE on a

server cluster

- Each Department’s SHARE folder will contain at least three sub-folders titled Org, Everyone and Projects.
- The Projects folder is provided for storage of project related files. All departmental projects will be kept in a sub-folder under the Projects folder and the folder will be named using the same name as the project. User rights will be assigned by a group having the same name as the project folder. Only staff requiring access to the project files should be granted rights to that project folder.
- Under the Projects folder will be two additional folders, one called “Active” and one called “Completed”. Active projects reside in the “Active” folder.
- When staff identifies a project as being completed, the project folder will be moved to the “Completed” folder and all rights, except for “Browse” will be removed from the folder. This will ensure that the final project documents remain unchanged, while still allowing authorized staff to review the old documents and use them as templates for new documents if desired. The “Completed” folder will be set to archive its data.
- Under the “ORG” folder will be subfolders with names corresponding to the various divisions within the department. By default, only staff within a division will have access to a division’s folder. These folders are intended to hold data for a specific division that would not normally be shared departmentally. Staff from other divisions would not have access to these folders unless the division manager of the owning division gives their approval. Having folders setup by divisions will simplify the process of identifying who is responsible for the contents of a folder.
- The “S” and “U” drives should only be used to store business related files.
- The Systems Administrator, at the direction of the Director, may from time to time remove any data deemed to be non-business related.
- A folder called “Everyone” will be created in the Share folder. All staff in the department will have full access to this folder to store and retrieve files that are not related to a project or a division’s day-to-day operations.
- Additional shared folders, with access restricted to only specific users, if required, will be created in the Share folder. Access will be restricted through the use of Inherited Rights Filters and access will be granted through the use of groups. These groups will be named using the same name as the folder name.
- In general, rights to any folder will be granted through the use of a group having the same name as the folder. The group would have trustee rights to the folder, and users would be added to or removed from the group as needed. All rights would be granted or revoked through the use of form PA-3624A. Designated staffs in each department

are required to approve these requests.

- A user “U” drive will be assigned to each standard Windows Active Directory account for use by each individual user to store business related data on the network. Access to the “U” drive is restricted to the account owner only. Users receive all rights to this folder”. Users cannot share data on their “U” drive. Files should be shared only by using the Share, (“S”) drive.
- Access to a user’s home directory, by anyone other than the owning user is prohibited and will be removed after notifying the end-user.
- Installation files used in the installation of desktop software must reside in a sub-folder under the “APPS” volume

Example                      P:\APPS\Psoft

### **2.1.1.2              Connecting LAN Devices to the Enterprise Network**

The Technology Services Department (TSD) is responsible for connecting all LAN devices to the Enterprise Network (PAWANET) provided they meet the Port Authority’s standards. The following system components must meet the standards in order to connect department devices:

#### **Type of Device or Software**

- Primary Network Operating System (NOS)
- Application Server Operating System
- Network Interface Card (NIC)

## **2.3 Server Network Resources Security**

### **2.3.1 Server Physical Security**

All servers and communication equipment must be located in locked rooms or secured with a cable and lock with the keyboard secured to prevent tampering and unauthorized usage.

#### **2.3.1.1 Server Logical Security**

To safeguard the Port Authority’s Information Technology (IT) systems and data, TSD has implemented a number of processes and procedures, including the requirement that all users accessing the Port Authority’s networks authenticate to the Microsoft (MS) Windows Active Directory (Active Directory). The Active Directory Service is a database containing descriptions of all network devices including servers, workstations and user accounts.

Basically this means, that by executing a login when you first power on your PC you are telling the network who you are. This is accomplished by providing your Windows Username and password. Just as you are issued an ID card for access to certain facilities, buildings or rooms you need to visit to perform your job, your Windows

authentication grants you access to network resources, such as shared data volumes, software applications and network printers you use in performing your assigned tasks.

TSD, or its contracted vendor, is responsible for providing all enterprise servers with the following protection of their logical resources:

- Guard against unauthorized access.
- Perform daily incremental backups of servers and authorized workstations and full backups weekly.
- Store all monthly backups off site at a secure location and secure daily and weekly backups on-site in a locked area.
- Test recovery procedures annually.
- Use system and application passwords that conform to the Technology Services Department standards.
- Configurations must conform to security parameters identified by NetVision and Quest Intrust Suite software.
- Control all remote access using the Port Authority's Remote Access System.
- Maintain current patch levels and critical security updates.

### **2.3.2 Network Access and User Account Security**

#### **2.3.2.1 Account Creation**

User accounts are created and managed in MS Windows Active Directory Services for the Windows network resources. Documentation for the creation of user accounts and authority for access is maintained by the Customer Service Desk Manager.

#### **2.3.2.2 Time Restrictions**

Due to the fact that The Port Authority serves its clients 24 hours a day, we do not have Login Time Restrictions on our File & Print servers. All staff may access their account 24 X 7.

#### **2.3.2.3 Concurrent Logins**

Login sessions will be limited to one connection per user. User accounts should not have the ability to login to multiple workstations after establishing one active connection to the network.

#### **2.3.2.4 Intruder Detection**

These system-monitoring features must be active:

- Restrict the count of incorrect login attempts to three before the account is locked out.
- The time for which unsuccessful login attempts are retained to determine a possible intruder attack should be a minimum of 30 minutes before the counter is reset to zero.
- The time for which a user account remains disabled before the account can be used again should be a minimum of 30 minutes.

### **2.3.2.5 Passwords**

All user accounts must have passwords conforming to the following standards:

- Minimum length is six (6) characters.
- The password should not be easily guessed. It should not be related to one's job and should not be a word in the dictionary or a proper name.
- Should be set to expire at least every 90 days and 30 days for accounts with system or application administrator access.
- Grace Logins should be activated and limited to three.
- Users should be notified several days in advance of password expiration.
- Users should be forced to change their password on initial login and once it expires.
- Unique passwords should be required when changed. Users should be prevented from reusing a previous password for a minimum of one-year.
- Users should not be permitted to change their passwords more than once a day.
- Passwords should be encrypted in storage.
- Passwords must be entered in a non-display field with a re-enter verify function for new passwords.
- Passwords must not be available on hard copy.
- Passwords used in system startup files and login scripts must be encrypted.
- If an application uses a default password, change it on installation.
- Do not use cyclical passwords, such as the word, February, during the month of February.
- Do not reveal your password to anyone except authorized persons.
- Use both upper and lower case characters and special characters where possible.
- Change password if it has been disclosed or compromised.
- Protect by using a screen saver password with a recommended 15-minute time-out period.
- Passwords should not be the same as the user ID

Passwords are considered confidential data. They protect the Port Authority's network resources and grant system privileges and access. Disclosure may result in unauthorized access to data, system files and transactions. Passwords are also your signature and identify you as the individual who is responsible for the system activity.

### **2.3.2.6 Modems and Switches**

Staff is prohibited from connecting dial-up modems and switches including wireless switches (e.g. Linksys wireless switches) to workstations that are simultaneously connected to PAWANET or another internal communication network unless approved by the Technology Services Department (TSD).

Where modems have been approved, users must not leave modems and/or switches connected to personal computers in auto answer mode, such that they are able to receive in-coming dial-up calls.

### **2.3.3 Remote Access System**

The use of local modems to establish direct dial connections to devices on the Port Authority's network is prohibited. Exceptions to this policy require the approval of the Technology Services Department's Director.

The approved mechanism for remote access to the Port Authority network is through the Remote Access System (RAS). The Remote Access System utilizes an Internet-based Virtual Private Network (VPN) tunnel established over the Internet linking remote users to the Port Authority Wide Area Network (PAWANET) (remote client to PA site). It is designed to provide authorized Port Authority users with secure access to corporate applications and to files available on their departmental file servers. This access to applications and resources is delivered through a thin-client environment consisting of a farm of Citrix MetaFrame/Microsoft Terminal Services servers capable of supporting 200 or more simultaneous users each. There is no provided access to the user's office PC desktop. Port Authority offices without direct connection to the Port Authority Wide Area Network (PAWANET) can use this system to establish remote access to corporate applications located on PAWANET.

RAS provides multiple security mechanisms to ensure that only authorized users gain access to the Port Authority's computing resources and systems. Through multiple security steps, the user must respond to security challenges. After successful authentication verification, authorized users are provided with access to corporate applications and their departmental network resources through the thin-client environment.

The Port Authority also supports corporate site-to-site VPN connections and utilizes Cisco equipment for these connections.

Remote access is authorized on a case-by-case basis by the Chief Technology Officer.

### **2.3.4 Hardware Standards**

The TSD Enterprise Architecture team is responsible for setting the agency hardware standards. As of October 2012, the hardware standards are as follows:

- Desktop, Laptop, CAD\*      Lenovo
- High End Multimedia Workstation\*   Apple
- Mobile Devices               BlackBerry
- Printers\*                    Hewlett Packard
- Routers and Switches       Cisco
- Servers\*                    IBM and NEC
- Smart Devices                iPhone/iPad
- Storage Area Network (SAN)      IBM (Entry Level and Mid-Range)

\* Note: To maintain optimal operating efficiency of the computing environment a standard “refresh” age has been adopted. The agency standard refresh age is greater than 5 years. TSD is responsible for the automatic replacement/upgrade of hardware that has exceeded the agency standard age limit.

#### **2.3.4.1 Standard Servers**

A representative sample of standard servers is as follows:

<b>Server Description</b>	<b>IBM Model</b>
WEB Server, Small applications server	xSeries 3550M4
Medium applications server	xSeries 3650M4
Database Server, Multiple and Large application server	xSeries 3850M4
Virtual Clusters	NEC Express 5800 series or IBM as stated above

Each server shall have at least three (3) network interface ports to support a production, management and backup network, and redundant power supplies.

The Port Authority manages servers models via a lifecycle process with a minimum ‘in service’ life of three (3) years.

## **Network Naming Conventions**

### **2.4.1 Server Names**

The Port Authority employs a naming convention for all servers within PAWANET. That convention will be discussed during a solution implementation phase.

### **2.4.2 Directory Services and Structure**

The Port Authority uses Windows Active directory to manage network resources and user access. Port Authority departments are designated as organizational units (OU) and servers are network objects contained within the OU.

All network printers should be created using Printer Properties Pro utility.

Applications are distributed using Microsoft System Center Configuration Manager (SCCM).

Applications are distributed based on the type of workstation and user definitions.

Scheduling of distributions is performed in conjunction with client departments.

The Port Authority uses Microsoft Windows Active Directory to manage network resources and user access. Port Authority departments are designated as organizational units (OU) and servers are network objects contained within the OU.

## **2.5 System Backup and Recovery**

There are two Port Authority approved standard software products, used to perform scheduled server backups:

- **Upstream Reservoir** is a centralized backup tool used to create data backups for all distributed systems.
- **FDR Upstream** is a Mainframe based tool used to backup all Mainframe data.

Backup data is stored on disk storage for prompt backup and restore. Encrypted tape backup is stored remotely at a secure facility, and is required to assure off-site disaster recovery data storage. All backup media and records must be treated with the same level of security and confidentiality as the original data.

The System Administrator is responsible for verifying that system backups, both local and remote backups, can be used to restore the data. Tests of the ability to successfully restore from both backup systems should be performed annually. It is recommended that:

- Tests of the ability to restore system and application files will be performed on a non-production server.
- When incremental or differential backups are routinely used, the test restore procedure should incorporate both.
- Immediately prior to performing the test restore procedure, do a special full backup on the directories being tested.

### **2.5.1 Backup Logs**

The System Administrator will maintain the following logs for a period of two years:

- Back-up activity
- Rotation of back-ups
- Usage/rotation of back-up media
- Off-site data storage

### **2.5.2 Backup Scheduling**

The System Administrator is responsible for performing back-ups of data, application and system files. This must be as follows:

- Weekly full back up of each server. A full back-up is a back up of all files on the server.
- Daily differential, incremental or full back up of each server or server cluster. The type of back-up performed is dependent on time constraints and the amount of data to be backed up. Incremental back ups are back-ups of all files changed since the last back up. Differential back ups are back-ups of all files changed since the last full back-up.
- A Grandfather, Father, Son (GFS) scheme based on a 33 tape rotation should be used to ensure complete back-up and recovery.

## **2.6 Business Resumption Plan**

The vendors, providing IT services to the PA, shall work with the Technology Services Department (TSD) to develop a disaster recovery and contingency plan. The System Administrator will participate in the planning, design, implementation, testing, updating and documentation of the plan. [Appendix 1](#) shows a recommended outline for such a plan. The Business Resumption Plan will be reviewed quarterly and tested at least annually.

## **2.7 Documentation**

It is the responsibility of the System Administrator to update and maintain a library of all documentation designated as standard by the Port Authority. These include archived system files and system backups. Vendors will be provided our “Guide to Systems Administration” during the implementation phase of a project. The “Guide to Systems Administration” covers the provisioning and setup of computing & networking resources to successfully implement a project within the Port Authority.

### **3.0 Virus Scanning & Management**

#### **3.1 Overview**

This section describes the standards and guidelines for the prevention, detection and removal of computer viruses, (malware). Its purpose is to minimize the risk and negative impact of computer virus infections in the work environment by establishing clearly defined roles, responsibilities and procedures for the effective management of computer viruses.

#### **3.2 Standards**

Standard virus protection software must be installed on all network servers and personal computers, and updated on a regular basis. The Port Authority currently uses McAfee ePolicy Orchestrator (ePO) v4.5 to monitor, manage and maintain the virus definition (DAT files) of the Agency desktop computing platform. The McAfee ePO Management Agent (v4.6), and VirusScan / AntiSpyware Enterprise (v4.8), are part of the standard desktop core image.

#### **3.3 Acquisition and Installation**

The Technology Services Department maintains current versions of standard virus protection software and virus detection files, (DATs), including configuration-specific instructions for downloading and installing the software on network servers and desktops

#### **3.4 Virus Detection and Response**

The Port Authority’s IT support vendor is responsible for responding to all virus outbreaks, as well as eradicating them and, where possible, preventing them. The speedy reporting of all computer viruses is essential for the protection of the information stored on Port Authority LANs. Much of that information is important to the safety of the public, as well as the day-to-day business of the PA. If the anti-virus software has detected a virus and cleaned it, no further action is required on the end user’s part. If the virus is not cleaned, or the end-user suspects that a virus still exists, the end-user should immediately contact the Customer Service Desk, and they will work to remove the virus. The Port Authority IT support vendor will respond quickly to all such alerts by doing the following:

**Assess the risk**

- Confirm the existence of a virus.
- Take appropriate measures to quarantine the virus so that it does not infect other Port Authority devices.

**Notify Appropriate Parties**

- Contact the originating party who introduced the virus to the Port Authority.
- If it is a new virus, contact our antivirus vendor, McAfee, for further assistance.

**Remove the virus**

- Work with appropriate parties until the virus is removed.

In addition, the Port Authority’s IT support vendor will report on all such outbreaks on a weekly basis. The report must include:

- Support Ticket Number
- User Name
- Virus Name
- Information which was lost, (if any)
- Time to correct the problem, (lost staff time)
- Virus Origin, (if this can be determined; Diskette, CD, Internet)

**4.0 E-Mail (refer to Attachment E – Technical Environment)**

**5.0 eNet Software Infrastructure Standards & Guidelines**

<b>Category</b>	<b>Software Name</b>	<b>Minimum Version</b>
Browser:	Microsoft Internet Explorer	7.0
Browser Plug-in:	Windows Media Player	10.0
	Adobe Acrobat Reader	9.0
	Macromedia Shockwave Player	9.0
Web Server Software:	Sun One Web Server	6.1
	Microsoft IIS	5.0
Media Server Software	Microsoft Media Server	9.0

<b>Category</b>	<b>Software Name</b>	<b>Minimum Version</b>
Application Server Software:	Adobe Cold Fusion 9	7.0
Development and Design Tools:	Adobe CS5	11.0
Database	Oracle Database	9i
	MS SQL Server	2008
	MS Access	2007
Programming Language/Scripts	ColdFusion MX	7.0
	Java	6.0
	PERL for Windows	5.0
	JavaScript	1.0
Search Engine Software:	UltraSeek	5.7
Web Performance Monitoring:	WebTrends Marketing Lab 2	2.0
Content Management:	Stellent	7.5
	Open Text Website Management	10.1

## **6.0 Workstation Hardware and Operating System Software**

### **6.1 Overview**

The Port Authority makes extensive use of computers (workstations) networked into an Enterprise Wide Area Network to accomplish its business objectives. For the purpose of this section, the term computer and/or workstation will be used to reference desktop, laptop and CAD computing devices. In order to ensure compatibility with the agency's enterprise network and to make optimal use of its resources, this section defines the standards governing workstations and their configuration and use.

### **6.2 Workstation Operating System Standard**

The Port Authority's standard operating system for workstations is Microsoft's Windows XP Professional. . The following are operating systems used within the Agency:

- Microsoft Windows XP SP3
- Microsoft Windows 7

- Apple OS X

## **6.3 Workstation Configuration**

### **6.3.1 Workstation Naming Conventions**

All departmental workstations must contain a unique computer name which is the machine's serial number.

Example: Workstation name: 23AAH86

System Administrators are responsible for naming workstations and maintaining an up-to-date inventory of equipment and names used.

### **6.3.2 Automated Software Distribution for Computers**

The Port Authority currently uses Microsoft System Center Configuration Manager (SCCM) 2012 to, at a minimum, do the following:

- Install new, or upgrade existing, software on Agency desktop, laptop, and CAD computers.
- Create packages to automate system tasks (e.g. data migrations of desktop computers, eDiscovery requests, etc.).
- Bare Metal Provisioning of Servers.

### **6.3.4 Drive Mappings**

Computer drive mappings are automatically accomplished using a Microsoft login script. The script is executed upon successful login to the Agency's Microsoft domain.

### **6.3.5 Standard Workstation Hardware Configurations**

There are standard configurations established for workstations and laptops. The standards specify the product approved for the following devices: processor, memory, storage, CD/DVD-ROM/multimedia and monitor. See scope of work, Attachment L for current hardware standards:

### **6.3.6 Standard Workstation Software**

The following software is the standard Port Authority software for departmental workstations. New computer installations should conform to the existing standard.

### **6.3.6.1 Standard Workstation Software**

The following list is a compilation of the core software components found on the computer Arc Build (commonly referred to as an image).

Windows XP, Professional Edition  
Lumension Patchlink  
System Center Configuration Manager - SCCM  
McAfee Antivirus  
Internet Explorer  
Microsoft Office Professional

Because technology is rapidly changing, TSD should be consulted to obtain the most recent versions of standard software.

### **6.3.7 Enterprise Software**

The following is a list of standard enterprise application software used in the Agency. These applications are supported by third party service providers:

PeopleSoft  
SAP  
Livelihood Content Management

### **6.3.8 Other Business Applications**

Other Enterprise applications are deployed on occasion to user workstations. This includes systems like the Business Expenses system, (BEAM) and BudgetPro. System Administrators are responsible for deploying the workstation clients and network server software according to standards and guidelines provided by the Technology Services Department.

Current list of Enterprise applications, is shown below –

AutoCAD	Oracle
BudgetPRO	PeopleSoft
Cognos Client Software	Primavera
Livelihood	SAP
Microsoft Server	Schedulesoft
MS SQL	TRIM

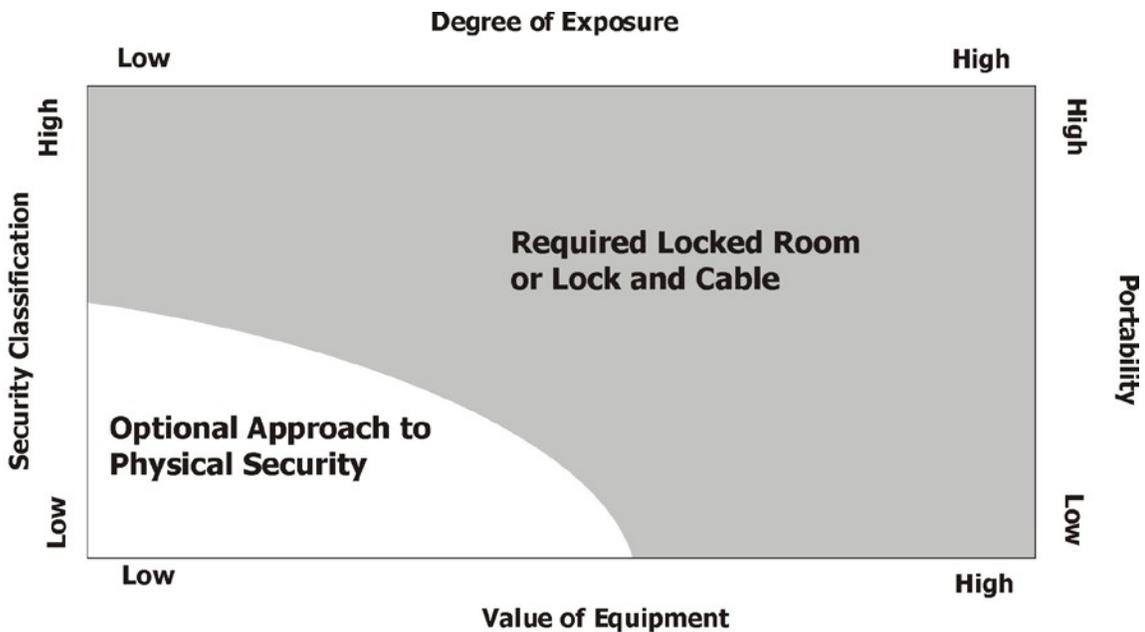
## 6.4 Workstation Security

Workstation users and their managers are responsible for the security of computer equipment and safeguarding critical corporate data and access to Port Authority network resources. This includes both the physical securing of equipment as well as logical safeguarding equipment and data.

### 6.4.1 Physical Security

The method of control should be based on the value of the equipment, the sensitivity of the data, its portability and the degree of exposure to theft. The department’s Business Manager should make the appropriate determination of physical security required based on their best business judgment.

The graph below provides general guidance to Business Managers in determining the level of physical security required.



In all cases, laptops must be secured with a Lock/Cable product (e.g., Kensington).

### 6.4.2 Logical Security

The Technology Services Department (TSD) is responsible for providing for the security of computer resources and devices:

- Workstations are protected with Novell and Microsoft directory security mechanisms.

- Screen saver passwords are implemented with a maximum of a fifteen (15) minute time-out.
- All critical data are backed up nightly onto either external media or a network drive.

## **7.0 Distributed Systems Environment**

### **7.1 Overview**

A number of enterprise servers provide critical application and system services. Different operating systems and configurations may be required for specific applications. This section provides information on the standards and guidelines for supported systems within the Port Authority.

### **7.2 Microsoft Windows Servers**

The standard for general-purpose application servers and File and Print Computing is IBM servers. Microsoft Windows 2003 & 2008 Server (Enterprise) are supported Operating Systems for application servers.

#### **7.2.1 Virtual Environment**

The standard for Virtualization Computing is both IBM and NEC FT host servers. The Port Authority will provide a VMware ESX-based Guest Virtual Machine (VM) to operate all Contractor-provided applications software on one of the above host computing platforms depending on the critical nature of the application.

All applications software shall be capable of operating in a virtual environment under VMware ESX server and shall operate in a VMware ESX-based Guest Virtual Machine (VM) on a 'shared' host-computing platform for Contractor application, unless performance or other requirements mandate a dedicated system.

#### **7.2.2 Windows Data Encryption**

For those applications that require additional data security measures, TSD offers additional tools that provide encryption services to protect the data stored in the application's database, even from authorized individuals that have physical access to the applications and database servers but not the decryption key.

### **7.3 Unix**

Sun/Oracle Solaris is the currently supported UNIX operating system for infrastructure (e.g., SMTP services) and corporate servers. RedHat Enterprise Linux Server is the supported operating system for infrastructure and corporate servers (e.g., SAP, Peoplesoft).

### **7.3.1 Unix Security**

Unix and Linux servers must be physically and logically secured from unauthorized access. Operating system logical security is defined by the Technology Services Department (TSD).

### **7.3.2 Backup**

Critical system backup must be performed regularly (daily and/or weekly) utilizing our centralized backup strategy and associated tools. Extra copy of backup is kept offsite for disaster recovery purposes if required.

### **7.3.3 Download Scripts in the Unix/Linux Environment**

- The script must be written in a generally supported language: Perl, Korn shell and Powershell. Powershell should be consistent with Microsoft standards and best practices.
- The script must be limited in access, as well as the script's owner's user account. The owner of the script should be able to read, edit, and execute the script, but no one else (with the exception of the root or administrator accounts).
- If the content being downloaded is public information or widely available on the Internet, File Transfer Protocol (FTP) may be used.
- For all other content, Secure FTP must be used, and a key exchange made with the entity who is providing the content. A username and password must be used when retrieving the content.
- If the entity cannot accommodate the use of SFTP, ftp may be used as long as the content is encrypted with a secure, widely used utility like PGP.
- Information and guidance on securing passwords should follow Recommendations of the National Institute of Standards and Technology.

## **7.4 z/OS**

z/OS (currently release 1.5) is the IBM-supplied operating system on the IBM 2096-R07. This hardware/software supports multiple users and multiple applications. Provided on this platform for transaction-processing applications are TSO/E, ISPF, and CICS. The database is DB2, although other file structures are also supported.

### **7.4.1 Databases**

Oracle 10.2.0.5 or higher and MS/SQL 2005 Server or higher are the supported database platforms for Port Authority systems. Auditing trail enabled for all database accounts with administrator privileges.

#### **7.4.2 Geospatial Databases**

This GIS environment is built on an ESRI platform using ArcSDE for the spatial database. ArcGIS Server 10 and ArcSDE Version 10 are the supported platforms for the current GIS environment.

#### **7.5 Application Security**

TSD recognizes the critical importance of application security and maintains a best practices document containing rules and recommendations for purchased applications, and those developed in-house.

#### **7.6 Server Physical Security**

All servers and communication equipment must be located in locked rooms or secured with a cable and lock with the keyboard secured to prevent tampering and unauthorized usage. The Business System Manager is responsible for determining the appropriate access control method (receptionist, metal key lock, magnetic card door locks, etc.) This person must also maintain a list of persons authorized to enter secured areas. Technology Services Department staff is available to provide technical assistance in making this determination.

#### **7.7 Load Balancing – Failover Architecture**

Depending on the requirements of the application, load balancing and failover architectures are supported.

#### **8.0 BlackBerry Device Policy & Procedure**

The Port Authority provides corporate wireless e-mail services using the BlackBerry device from RIM.

The BlackBerry is a palm-sized device designed to synchronize with Outlook and other e-mail systems. With a BlackBerry device, one can read, compose and respond to e-mail messages and meeting requests, which are transmitted through the Port Authority's E-Mail System. The BlackBerry contains the user's synchronized Outlook "Contacts" address book, Outlook Calendar, memo pad and task list as well as a calculator and an Internet browser.

## **8.1 BlackBerry Guidelines**

### **8.1.1 Introduction**

BlackBerry devices (data only or combined data (e-mail) & voice) are available from most wireless carriers in the Port District. Combined BlackBerry devices are designed to replace stand-alone cellular telephones and stand-alone BlackBerry data devices and they operate on the same wireless network as a stand-alone cellular telephone from the same carrier.

### **8.1.2 Support**

Support for BlackBerry devices is provided by Technology Services through the Customer Service Desk. The Customer Services/PMO Group provides additional support as needed.

### **8.1.3 Breakage and Loss**

Be aware that the screen used on a BlackBerry device is very fragile. Dropping a device from the height of a desktop can result in breakage. It is also sensitive to water damage. Once this happens, the device is likely to be unusable. Broken, lost or stolen devices should be reported to the Customer Service Desk at 212-435-7469, who will notify the appropriate staff for further action.

As with all PA equipment, BlackBerry devices should be used for business purposes only.

### **8.1.4 Data Security Considerations**

Data residing on a BlackBerry device can be easily browsed by anyone having possession of the device. Agency policy automatically activates the password security available on the device. Users should not disable this security feature. Users should carefully consider what type of information they store on their devices. Extreme caution should be taken when using company confidential data on the devices.

### **8.1.5 Data Backup**

Though it does not happen often, it is possible to lose, damage or corrupt the data that resides on the BlackBerry device. There are data backup features on the PC utilizing the BlackBerry Desktop Manager software. We recommend setting the advanced automatic backup to 7 days with the backup of all device application data. In the event of a lost or broken device, this backup may be used to recover lost data.

## **Appendices**

### **Appendix 1 -- Business Resumption Plan Document Format**

#### **I. PURPOSE**

- Goals and objectives of plan
- Benefits obtained if plan properly implemented

#### **II. SCOPE OF PLAN**

- Planning assumptions
- Facilities and resources included in plan

#### **III. NOMENCLATURE**

- Recovery terms
- Definitions and acronyms

#### **IV. DISASTER SEVERITY DEFINITION**

Define level of potential disaster based on impact to critical functions. Explain what degree of operational disruption would constitute each level of disaster:

- catastrophic
- serious
- major
- limited

#### **V. OPERATIONS RECOVERY PROCEDURES (Procedures for recovering services)**

1. Indicate time frames in which essential operational/business functions must be resumed.
2. Specify sequence of operations recovery events and individuals responsible for activity. Note any specific activities required for particular levels of disaster severity. For example:
  - Notifications
  - Preliminary evaluation
  - Activate operations recovery personnel
  - Coordinate with emergency personnel
  - Evaluate recovery options and issue directive which details:
    - Assigned tasks

- Project schedule/time frame
  - Coordination required
  - Identify relocation activities, if required
  - External/internal status updates
3. Identify items required for backup of critical functions. For example:
- Alternate work site
  - Hardware/software
  - Personal computers
  - Necessary software packages
  - Documentation
  - Peripherals (printers, modems, etc.)
  - Databases
  - Emergency equipment
  - Communications
  - Transportation
  - Supplies
  - Security
  - Operations and procedures manuals

**VI. OFFICE/FACILITY BUSINESS SITE RESTORATION PROCEDURES**  
(Procedures for restoring physical facilities)

- Identify restoration responsibilities
- Assess damage
- Develop restoration plan/time frames

**VII. BRP UPDATE PROCEDURES**

- Specify responsibility for updating and communicating BRP changes
- Indicate frequency of review/update

## **ATTACHMENT H – CONTROL REQUIREMENTS**

This section includes the following documents:

- **ATTACHMENT H1 – CONTROL SECURITY REQUIREMENTS**
- **ATTACHMENT H2 – DISASTER RECOVERY PLAN CHECKLIST**



## **ATTACHMENT H1 – CONTROL SECURITY REQUIREMENTS**

### **General**

- Documented procedures, flowcharts and process maps for the application.
- Conduct regular audits, vulnerability testing, security scanners.
- SSAE 16 SOC 2 (previously known as SAS 70 Level 2)
- ISO27001 Certification
- Physical access to the application hardware should be appropriately restricted.
- The application should have a warning banner, terms of use, and/or privacy statement that was approved by the PA Law Department on the login screen.
- Remote access should be restricted and documented in accordance with PA policy.
- Background check should be performed on all personnel.

### **System/Security Administration**

- Administrative personnel should receive adequate training.
- System and security administration procedures should be documented and distributed.
- Administrator(s) roles and responsibilities should be documented.
- Developers and/or programmers should not have access to the production server.
- Operating system administrators should not have access to the production database and application.

### **Hardening of operating system/database that supports the application:**

- Disable and/or remove unnecessary ports/services.
- Remove all samples from the box.
- Default, public, and guest accounts should be secured/locked/removed.
- Change all passwords; delete all default content and login scripts.
- Limit administrative and user account privilege and access.
- Document system accounts like administrator, root, oracle, and sys.
- Document user/group access rights
  - Users/groups should be setup with least access required to perform job responsibilities.
- Follow PA password standards or better (90-day expiration, lockout after 3 incorrect password attempts, no concurrent logins, 6 alphanumeric characters)
- Set “automatic session timeout” to 15 minutes of inactivity and require user to log back in with valid ID and password.
- Implement access control at the database level (i.e. user roles and permissions, passwords, secure links)
- Use secure encrypted remote access methods.

- If the application is a web application, log (and monitor) web traffic and trend the activity looking for abnormal activity.
- Ensure that appropriate security and vulnerability assessment tools are running.
- At login, last user login should not display.
- Inventory listing of hardware and software should be current and maintained.

### **License Management**

- Ensure that application licensing requirements are documented, reviewed and maintained.
- Application licenses should be current/valid and individuals/groups with application access should have completed the necessary access request forms and adhere to licensing requirements.

### **Logical Access Controls**

- Procedures to grant/modify/delete access should be documented.
  - Access request forms for adding/modifying/deleting users should be used.
  - Account expiration for contractors and consultants.
  - Accounts adequately identify the user – no generic accounts
- Ensure that security administrator procedures exist to:
  - Create/remove application access in a timely manner
  - Review user roles/permissions
- Validate that all users have accessed the application within the past 90 days.
  - Review dormant accounts
  - Inactive accounts should be removed.
- Each user has a unique user ID as described in the Port Authority Standard and Guidelines.
  - All user accounts profile should include Employee ID# and full user name.
- Roles should have a segregation of duties/roles.
  - Roles are setup with least access required to perform job responsibilities.
- Access Control List (ACL) should include:
  - Current list of ACL
  - Creation and updates to ACL
  - Testing and approvals of ACL
- The application should have the PA's warning banner on the login screen.
- Remote access should be approved, secured, and documented in accordance with PA policy.
- Encryptions level at a minimum should be AES 256bit when encryption is used.

### **Password Controls**

- Ensure that password controls for the application are consistent with PA requirements
  - Passwords must be at least 6 alphanumeric characters long
  - Passwords must be changed every 90 days

- Passwords must not be shared
- Accounts should be locked after a three logon failures
- Passwords should not be the same account name
- No concurrent login capabilities
- Password file should be securely stored with limited access and encrypted.
- Application forces initial passwords to be changed and the initial passwords should not be easily guessable.
- Maintain a password dictionary and password history should be set to 5.

### **Application Controls**

#### Data Validation & Input Controls

- The application should have input controls to verify the validity of the data entered.

#### Data Retention and Management

- All data should be classified according to its sensitivity (confidential, etc) and protected accordingly.
- Data archive strategy should be documented and in place.
  - Should specify how long active data is kept.

#### Data Integrity and Security

- Sensitive data, such as credit card #s and social security #s, should be encrypted.
- Data should be restricted and audit trails should be available to identify all user activity include view access to sensitive data.
- Data should be stored in the database encrypted and blocked from user views in the application unless it is authorized.

#### Application Interfaces

- Interface file should be secured and archived.
- Reconciliation of data should be done on a batch record and totals. Detail data reconciliations should be completed on periodic basis.

#### Processing Controls

- Application databases/interfaces should have the necessary controls to prevent processing of inaccurate, duplicate, or unauthorized transactions and producing inaccurate outputs.
- Controls to ensure that all data is processed and accounted for should be in place.
- Rejected items should be logged, tracked and resolved in a timely manner.

### **Change Management**

- Processes and tools should be used to report, track, approve, fix, and monitor changes on the application.

- The application and all changes to the application should be tested before being put into production.
  - Documentation of approval for change and evidence of testing should be in place.
  - Specific timetable/schedule should be documented.
- Emergency procedures should be documented and distributed.

#### **Application Logging, Audit Trails and Record Retention**

- Audit trails for operating, application, and database systems should exist and reviewed.
- Users and roles should be tracked and reviewed
  - Maintain documentation
- All failed logon attempts should be logged.
- All sensitive transactions and changes should be logged and an audit trail created.
- Audit trails should contain who made the change, when it was made, and what was changed.
- Only the security administrator should have access to change or delete these logs or audit trails.
- Audit trails should be reviewed by the business owner(s) and security administrator.

#### **Management Reporting**

- Management reporting should be produced through the application.
- Transaction logs should be maintained and reviewed periodically.
- Access reports by user and privilege should be produced and reviewed periodically including access violation reports and exception transaction reporting.

#### **Contingency Planning, Disaster Recovery and Backup Management**

- A business contingency plan and a disaster recovery plan for the application should be documented and stored off-site, including escalation plan and current call tree.
- Plans should be tested and the outcomes of the tests (success/failure) should be documented.
- Regular backups of the application and the application data should be stored off-site.
- Application executables should be stored off-site or in escrow.
- Application configurations should be documented and backed-up.
- Full system backup should be encrypted.
- Backup procedures should be documented.
- Tape maintenance should include:
  - Periodically testing integrity of tape
  - Procedures for tape destruction due to faulty or scratched hardware.

### **Performance Monitoring**

- Incident monitoring procedures should be documented and incidents logs should be reviewed to ensure that appropriate action is taken.
- Performance statistics should be examined and reviewed periodically by system administrators/business owner(s).
  - If vendor(s) support the application, a vendor contract and service level agreement should be in place. The SLA should have provisions for uptime, performance monitoring, updates, etc.
- Baseline tools or security products should be used and checked on a quarterly basis.

### **Patch Management**

- Patch management procedures and documentation
  - Procedures should include testing, approvals, and distribution.
  - Documentation should include emergency procedures.
- Apply all new patches and fixes to operating system and application software for security.

### **Physical Protection**

- Physical access to the application hardware should be appropriately restricted.
  - Physical access secured by single authentication mechanism i.e. swipe card.
  - Physical security adequate for equipment (locked cabinets).
- Appropriate fire suppression systems should be in place.
- Environmental condition adequately controlled (no water, dirt, clutter) and monitored.
  - Temperature and humidity monitoring should be implemented.
- Security cameras installed in sensitive areas
- Power surge protection and emergency power backup are in place.

### **Anti-Virus Management**

- Virus patch management procedures should be documented, including emergency update procedures.
- Virus software should be implemented and up-to-date.
- An engine and definition management should be in place.
- A remote distribution server should be implemented
  - Documentation on remote distribution should be current and maintained.
- Intrusion detection system should be in place, including incident response procedures.
- Firewalls should be implemented
  - Firewall rules documentation should be up-to-date.

### **Wireless Device**

- Devices should be using WPA/WPA2 and AES encryption or better.
- Devices should disallow broadcasting of the SSID.
- All default parameters should be changed.
- Devices should have MAC address filtering enable or some type of authentication mechanism in place.

### **Web Application Vulnerabilities and Controls**

- Best Practice and Standards:
  - The Open Web Application Security Project (OWASP) - [www.owasp.org](http://www.owasp.org)
  - [www.webappsec.org](http://www.webappsec.org) (a consortium of web application security professionals)
  - Center for Internet Security (CIS) – [www.cisecurity.org](http://www.cisecurity.org)
- Perform data validation & integrity checks for field values and ensure the HTML special characters are stripped for all HTML request.
- Do not allow site pages to be cached by user browsers.
- All sensitive, personal or confidential data (including SSN, passwords, session IDs for sensitive applications, confidential or sensitive business transactions, etc.) should be transmitted between browser and server within an SSL-encrypted session (or other encrypted transmission) and are encrypted in the database at rest.
- All sensitive and personal data should be masked and encrypted where possible.
- Legal Issues:
  - The site should have a privacy statement and term of usage.
  - American Disability Act – Section 508 should be considered during the development process due to the requirement that federal agencies' electronic and information technology is accessible to people with disabilities.
- Web Authentication: To prevent passwords from being passed in the clear, have authentication occur within an SSL encrypted tunnel. Use SSL (certificate) to protect the password.
- Password Reset:
  - For internal applications, reset passwords via the helpdesk or security administrator of the site
  - For external applications, send temporary password to known e-mail address, that must be changed upon login and/or
  - Have customer service reset after the user has been validated.
  - If possible, use two factor authentication like Secure ID fobs.

### **Credit Card Processing Checklist**

- PCI Standards should be enabled and be PCI compliant. Ensure all vendors and consultants are required to be PCI compliant. Attachment - PCI DSS v2
- A segregated network and/or an approved Point of Sale terminal should be in place for the system or terminal used to process credit card transactions. The

credit card processor standard and requirements should be enabled, i.e. maintain transaction data for two years.

- Maintain the security of the customer information, including not storing credit numbers, the cardholder CVC/CVV numbers or any of the data from the magnetic strip on the credit card.
- Maintain the transaction data for contesting chargebacks, ensure that the processor fees are appropriate and do reconciliations of the transactions processed and the money deposited in the Port Authority bank accounts.
- Make Treasury (Cash Mgmt) and Comptroller's (Revenue Accounting) aware credit card processing. Have Treasury fill out the Merchant form to get a Merchant ID for MasterCard/Visa, Discover and American Express.
- Have Treasury and Procurement enter into an agreement for credit card processing.
- Create a privacy policy and procedure for staff and consultants.
- Perform quarterly vulnerability scans of the network that contains the credit card processing, annual PCI reviews according to the PCI DSS, and annual system penetration testing.

## **ATTACHMENT H2 – DISASTER RECOVERY PLAN CHECKLIST**

Disaster recovery is a plan which could be executed in the event of a total disaster in order to bring the computer systems back to a functioning whole. Typically, the disaster in question is one, which destroys a complete site that requires restoration of support, particularly Information Technology support. Most commonly considered causes of disasters are fire, explosion, flooding, hurricanes and tornados. Disaster recovery planning normally involves alternate locations for major systems as well as the planning and testing of switch over measures, emergency transportation and so on.

The Disaster Recovery plan should include at a minimum the following areas.

1. Disaster Recovery
  - Manager Responsibilities
  - Plan Administration
    - Distribution of the Disaster Recovery Plan – All team members, LAN and an offsite location should have a copy of the current plan and its attachments.
    - Maintenance of the Business Impact Analysis
    - Training of the Disaster Recovery Team
    - Testing of the Disaster Recovery Plan
    - Evaluation/Review of the Disaster Recovery Plan and Tests – the DR Plan should be reviewed and the DR Test should be performed at a minimum twice a year. Update the plan to reflect changes in activities, procedures, performance, staff, and etc. Set a regular time for the review.
    - Maintenance of the Disaster Recovery Test Results – Maintain copies of the test results and what scenarios and areas of the plan were tested.
2. Business Impact Analysis - Minimize the impact on the business with respect to dollar losses and operational interference
  - Critical Time Frame - Recover the system and/or component of the system within the critical time frames established and accepted by the user community. This should include the time estimate of how long it would take to recover the whole system or any sub components.
  - Application System Impact Statements - This area is where a business owner decision of what areas of the system has a priority in how it is brought back into normal operation. How long could these operations be performed without computer support?
    - Essential – Are systems or components of the system that are very critical and need to be back in operation immediately because the business cannot function.
    - Delayed – Are systems that are needed but could be delayed and could not adversely affect the business process.

- Suspended – Are system or components that are not critical and can wait until the full system is back to normal operation.
  - Recovery Strategy & Approach
3. Disaster Definition – All possible interruptions should be defined, and then the steps to minimize their impact need to be documented. This includes loss of service due disk array failure, power loss, loss of network, loss of wireless network, loss of remote access, equipment, computer processor failures, etc.
- Detailed Recovery Steps for each Disaster Definition - This should be the technical steps to recover the different areas of the system like the Operating system, database, application, routers, firewall, and etc.
  - Escalation Plans and Decision Points
4. Data Center Systems – Dependencies should be notated.
- System Components- A copy of all essential office equipment and records should be stored off-site. Specify any special computer hardware, software, databases, networks or other technology.
  - Backup Strategy
    - Storage Rotation
    - Back-up Files
    - Off Site Storage of Back-up Files
    - Back-up Files Retrieval Process, Vendor information and Forms for Off Site Storage
  - Hardware
    - Hardware inventory for system in operation
    - Desktop Workstations (In Office)
    - Desktop Workstation location
    - Desktop Workstations (Offsite including at home users)
    - Laptops
  - Software
    - Software inventory of the system in operation
    - Systems, Applications and Network Software
    - Communications
    - Operations
  - Off-Site Inventory
  - Supplemental Hardware/Software Inventory
5. Escalation Plans and Decision Points

6. Disaster Recovery Emergency Procedures

- Plan Procedure Checklist - should have a checklist of the plan procedures and area for documenting exceptions where the plan was not adhered to and what was done in its place. Disaster Recovery Procedures in a check list with approval format.
- Disaster Recovery Organization – should have the full disaster recovery team listed by position or individual and what are their responsibilities. This section of the plan should include Port Authority and PATH personnel, PA/PATH management, and all vendors that work or have responsibilities during a disaster. This area should be reviewed semi-annually for updates and changes.
  - Recovery Organization Chart
  - Disaster Recovery Team & Recovery Team Responsibilities
  - Recovery Management & Senior Manager Responsibilities
  - Damage Assessment and Salvage Team & Team Responsibilities

Problems and Changes - Need to be documented and what was done to rectify them.

Essential Position – Require back-up personnel to be assigned.

7. Pre-Disaster - What steps need to be in place prior to a disaster for this plan to work? If there are any assumptions, they should be notated here.

- Recovery Management
- Damage Assessment and Salvage
- Hardware Installation

8. Contacts information - This area should be reviewed semi-annually for updates and changes.

- Disaster Recovery Team - This should include primary and secondary phone numbers, home address, emergency contact information, and their backups information.
- Vendor Phone/Address List – Include account information and account representative information.
- Command Center – Primary and Alternative site locations, hot spots, phone numbers, time scheduling

9. Post-Disaster – Detail what steps need to be taken to move from disaster mode back to normal operations.

**ATTACHMENT I – PROCUREMENT M/WBE PARTICIPATION PLAN  
PA 3749B / 12-11**



**HOSTED MICROSOFT EXCHANGE  
E-MAIL AND ADMINISTRATION SERVICES  
ATTACHMENT I –M/WBE PARTICIPATION PLAN**

**THE PORT AUTHORITY OF NY & NJ**

● **PROCUREMENT M/WBE PARTICIPATION PLAN PA 3749B / 12-11**

**Office of Business Diversity and Civil Rights**

PAGE: \_\_\_\_\_ OF \_\_\_\_\_

NOTE: The Proposer/Bidder shall submit to the Manager, Line/Facility Dept. Form PA 3749C - MODIFIED PLAN for any changes to the original plan: i.e.; subcontractor, dollar amount or work performed.

If more than 1 page is used, complete totals on last page.

Purchase Order #: \_\_\_\_\_  
 Proposer/Bidder Name: \_\_\_\_\_

Contract Description: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Contract Amount: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Contract Goals: MBE \_\_\_\_\_ WBE \_\_\_\_\_

Name, Address, Phone Number of PA Certified M/WBE subcontractor (including name of contact person)	Indicate MBE or WBE	Description of Work, Services to be provided. Where applicable, specify, "supply" or "install or both "supply" and "install."	Anticipated date work will start and finish	Approximate \$ amount of M/WBE Subcontract	M/WBE % of Contract Amount	Total



**HOSTED MICROSOFT EXCHANGE  
E-MAIL AND ADMINISTRATION SERVICES  
ATTACHMENT I –M/WBE PARTICIPATION PLAN**

				<b>TOTAL:</b>	

**Signature** \_\_\_\_\_ **of** \_\_\_\_\_  
**Contractor:** \_\_\_\_\_  
**Print Name:** \_\_\_\_\_  
**Title:** \_\_\_\_\_ **Date** \_\_\_\_\_

<b>FOR OBDCR USE ONLY</b>	
Contract Goals: <input type="checkbox"/> Approved <input type="checkbox"/> Waived <input type="checkbox"/> Rejected	
Reviewed by: _____	
<b>OBDCR Business Development Representative</b>	
Print Name: _____	Date _____

Distribution: Original – OBDCR; Copy 2 –Manager, Line/Facility Department; Copy 3 –Proposer/Bidder, Copy 4 – Procurement Dept – Award File

## INSTRUCTIONS

**PROPOSER INSTRUCTIONS:** In accordance with Section 6. M/WBE Subcontracting Provisions, the proposer shall submit this form as the M/WBE Participation Plan and/or good faith documentation as part of Section 8. Proposal Submission Requirements.

**BIDDER INSTRUCTIONS:** In accordance with Part 1, Section 17 of the contract book, the bidder shall submit this form as the M/WBE Participation Plan and/or best efforts documentation with their bid to the Procurement Department.

**MANAGER/DESIGNEE INSTRUCTIONS:** After a review of the submitted M/WBE Participation plan, forward to the Office of Business Diversity and Civil Rights via fax at (212) 435-7828 or PAD to 233PAS 4th Floor for review and approval. Approved/waived/rejected plan will be returned within 5 business days of receipt of this document. Manager/Designee will advise vendor of the results of the M/WBE Participation Plan review.



**HOSTED MICROSOFT EXCHANGE  
E-MAIL AND ADMINISTRATION SERVICES  
ATTACHMENT I – M/WBE PARTICIPATION PLAN**

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