

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

**PROCUREMENT DEPARTMENT  
4 WORLD TRADE CENTER  
150 GREENWICH STREET, 21<sup>ST</sup> FL.  
NEW YORK, NY 10007**

6/13/2016

## **ADDENDUM # 1**

To prospective Bidder(s) on Bid # 46268 for Weekend Shuttle Bus Service for PATH – World Trade Center to Midtown - One (1) Year Contract

Due back on 6/23/2016, no later than 11:00AM

### **I. CHANGES/MODIFICATIONS**

**The following changes/modifications are hereby made to the solicitation documents:**

**Insert the following on Part V, as Section 19:**

#### **Wages, Health and Supplemental Benefits**

##### **A. Definitions:**

- 1) “Employee” means any person, employed by the Contractor or its subcontractors, to perform any of the Services required under this Contract.
- 2) “Full Time Employee” (F.T.E.) means any person or Employee who is paid on a straight time hourly basis, working on such a compensation basis for a minimum of thirty (30) hours during a seven (7) day consecutive period continually (including vacation, sick leave, etc.) throughout each Contract Year. Time for which an employee is paid on an overtime or premium time basis shall not be counted in determining the thirty (30) hours requirement. The Port Authority will not reimburse the Contractor for any overtime without the Port Authority’s prior written consent.
- 3) “Straight-time” means the non-overtime hours actually worked by Employees under this Contract and shall include the time an employee spends at roll call, whether or not paid; however, meal periods and relief time shall be excluded, whether or not paid.
- 4) “Direct Wages” means monetary amounts paid by the Contractor or its subcontractor(s) to its employees for straight time (non-overtime) hours worked, including shift differentials, if any. Employee incentive plan payments are not included as Direct Wages.

- 5) "Average Hourly Direct Wages" shall be calculated by dividing the sum of the direct hourly Straight-time wages paid to all Employees in each Employee category by the number of Straight-time hours worked by the Employees in such category.
- 6) "Minimum Hourly Wages" mean the levels of fair wages determined by the Port Authority for Employees in each Employee category based on certain benchmarks or other prevailing standards. Employees may not receive Direct Wages lower than the Minimum Hourly Wages stated hereunder.
- 7) "Health Benefits" means benefits, other than Supplemental Benefits, as hereinafter defined, paid or covered under health insurance plans, to cover the costs of healthcare for Employees and their families.
- 8) The "Cost of Health Benefits" means the cost to the Contractor (and its subcontractors) of such benefits that meet the requirements of this Contract for providing health coverage for Employees and their families.
- 9) "Average Health Benefits" shall be calculated by dividing the sum of the Health Benefits paid or provided for Straight-time hours worked by all Employees in each Employee category by the number of Straight-time hours worked by the Employees in such category.
- 10) "Supplemental Benefits" mean benefits, other than Health Benefits, provided to Employees, including, but not limited to: fair and reasonable vacation allowances, sick leave, holiday, jury duty, birthday, welfare, retirement and non-occupational disability benefits, life, accident, or other such types of insurance, but excluding Health Benefits.
- 11) The "Cost of Supplemental Benefits" mean the cost to the Contractor (and its subcontractors) of all remuneration for employment provided to Employees in any medium other than cash, but including payments which are not Wages within the meaning of this numbered clause.
- 12) "Average Supplemental Benefits" shall be calculated by dividing the sum of the Supplemental Benefits, which shall exclude Health Benefits, paid or provided for Straight-time hours worked by all Employees in each Employee category by the number of Straight-time hours worked by the Employees in such category.
- 13) "Contract Year", as used in this Agreement means the twelve (12) month period commencing on the Commencement Date of the Contract and each successive twelve (12) month period thereafter or such portion of a twelve (12) month period that the Contract is in effect if the Contract should expire or be terminated on other than the last day of such twelve (12) month period.

B. Supplemental Benefits including but not limited to holiday, sick time and vacation time that are accrued in one year but not paid until the following year are not allowed to be included in the computation of benefits until they are paid.

For example: Assume an employee begins working for the Contractor on January 1, 2015. Although the employee accrues 10 vacation days, he/she cannot take them until he/she has worked for the Contractor for one year. The employee finally takes his/her vacation in February 2016. The employee's vacation benefits accrued in 2015 but were never paid. Therefore, the Contractor may not include the employee's vacation benefits in the computation of Supplemental Benefits until it is actually paid. At that time, the vacation time will be credited retroactively and applied in the computation of benefits for the year 2015.

C. Contractor in the performance of the Services herein, shall pay or provide (and shall cause any subcontractor to pay or provide) not less than the Minimum Hourly Wages for each Employee in each category as set forth below and the Average Direct Hourly Wage, as set forth in the Calculation of Average Hourly Rate Form and accepted by the Port Authority.

Minimum Hourly Wages:

<b>Bus Driver</b>	<b>\$13.15 per hour</b>
<b>Bus Route Supervisor</b>	<b>\$15.15 per hour</b>

D. Contractor in the performance of the Services herein, shall pay or provide (and shall cause any subcontractor to pay or provide) not less than Health Benefits accepted by the Port Authority for each Employee in each category, and the Health Benefits shall be subject to the requirements as set forth below.

- 1) Health Benefits shall be provided to Employees and their families.
- 2) Health Benefits shall include a health insurance program addressing the following list of recommended acceptable components:
  - i. up to and including family coverage, as applicable
  - ii. inpatient hospital services
  - iii. outpatient surgical facility
  - iv. emergency room services
  - v. prenatal services
  - vi. well visits/immunizations/routine visits for illness
  - vii. prescription drug benefit
- 3) The Cost of Health Benefits shall be as set forth in the Calculation of Average Hourly Rate Form and accepted by the Port Authority at the inception of the Contract, with an exact numerical (dollar) requirement for Health Benefits.
- 4) The Contractor shall demonstrate to the satisfaction of the Port Authority that Health Benefits are furnished by the Contractor and all subcontractors through one of the following, with no employee contribution to health coverage premiums:
  - i. The Contractor's and subcontractors' Employees and their families are covered under a health benefit plan paid for and provided by the Contractor;

- ii. The Contractor's and subcontractors' Employees and their families are covered by a union benefit plan authorized under the Taft Hartley Act  
29 USCA Section 186 (c);
  - iii. The Contractor's and subcontractors' Employees and their families are covered by a government health benefits program, including, but not limited to Healthy New York, Child Health Plus and NJ FamilyCare.
- 5) Health Benefits shall be provided to Full Time Employees (F.T.E.'s) and their families no later than thirty (30) days from the first date of Employee performance under the Contract.
  - 6) The Contractor shall provide each F.T.E. with written information, i.e. documents relating to each Employee's health care coverage.
  - 7) The Contractor shall provide continued health benefits to F.T.E.'s and their families of the same quality, or better as those approved by the Authority and initially provided under this Contract, throughout the duration of the Contract term.

E. Contractor in the performance of the Services herein, shall pay or provide (and shall cause any subcontractor to pay or provide) not less than Supplemental benefits established in the Calculation of Average Hourly Rate Form and accepted by the Port Authority for each Employee category, and such Supplemental benefits shall be subject to the requirements as set forth below.

- 1) Without limiting the foregoing, under no circumstances shall the cost of providing uniforms or footwear, cleaning of uniforms, training and transportation to and from post, or any other items incidental to rendering the Services covered under this Contract, be allowed or included in the Cost of Supplemental Benefits.
- 2) Any reimbursements to employees for expenses, and payroll taxes, employee incentive plans and any other benefits required by law are not includable in the Cost of Supplemental Benefits.
- 3) The established numerical value for the Supplemental Benefits, other than Health Benefits, shall be as set forth in the Calculation of Average Hourly Rate Form and accepted by the Port Authority.

F. In the event that the compensation payable under this Contract is subject to adjustment from time to time as provided in the paragraph entitled "Price Adjustment" in the Contract Specific Terms and Conditions, then the Average Direct Hourly Wages and Supplemental Benefits set forth in the Calculation of Average Hourly Rate Form and accepted by the Port Authority, shall be adjusted by multiplying said amounts by the same percentage amount which was used to adjust the compensation payable under this Contract, as the same may have been further adjusted.

G. Nothing contained herein shall be construed to prevent the Contractor or any subcontractor from paying or providing any individual Employee Hourly Direct Wages, Health and Supplemental Benefits higher than the Minimum Hourly

Wages, Health and Supplemental Benefits described in this numbered clause. It is understood that the Contractor's obligation to pay or provide the Minimum Hourly Wages as set forth above, the Health Benefits and Supplemental Benefits as set forth in the Calculation of Average Hourly Rate Form and accepted by the Port Authority, allows the Contractor to pay or provide some of its Employees hourly Direct Wages, Health Benefits and other Supplemental Benefits that are higher than the minimum and nothing herein shall be construed to constitute a representation or guarantee by the Port Authority that the Contractor or its subcontractors can obtain employees for the amounts herein before described.

H. Contractors (and their subcontractors) should expect to be audited with respect to Wages, Health and Supplemental Benefits paid or provided to Employees under this Contract. All Wage and Benefit requirements under this Contract will be strictly enforced. Failure on the part of the Contractor (and its subcontractors) to comply with any of the requirements under this Contract, including but not limited to the timely submission of payroll certifications and documents related to Health Benefits and Supplemental Benefits provided to Employees may be deemed a substantial breach of this Contract giving rise to the rights and remedies enumerated hereafter in the paragraph entitled "Rights and Remedies of the Port Authority" in the Standard Contract Terms and Conditions, as well as any other rights and remedies the Port Authority would have in the absence of such enumeration and failure to comply with each of these requirements will be taken into consideration prior to award of future contracts with the Port Authority.

I. The Contractor and its subcontractors shall maintain records in accordance with the requirements set forth in the paragraph entitled "Records and Reports" in the Standard Contract Terms and Conditions.

For records related to Wages, Health and Supplemental Benefits, the Contractor and its subcontractors are also required to provide such records and books of account in spreadsheet or other electronic format, when requested by Port Authority.

Upon request by the Port Authority, the Contractor (and its subcontractors) shall have (15) fifteen business days to provide such payroll records and books of account unless the Port Authority indicates, in writing, that such records and books of account may be provided at a later date.

In the event the Contractor or a subcontractor(s) fails to provide the required records, or if the Port Authority determines that the records and books of account provided for audit are incomplete, the Port Authority may, at its sole discretion, estimate wages, health and supplemental benefits and non-overtime hours worked in order to determine whether the Contractor (or its subcontractors) was in compliance with the Wages, Health and Supplemental Benefits provisions of this Contract.

J. Further, the Contractor shall submit (and shall cause its subcontractors to submit) to the Port Authority on the fifteenth day of the seventh month following the month in which the Commencement Date of this Contract falls and every six (6) months thereafter, and the month following the month in which the termination

date of this Contract falls, a certified statement signed by an executive officer of the Contractor (or its subcontractor) based upon the Contractor's (or subcontractors') payroll records which indicate that the Wage, Health and Supplemental Benefits requirements were met during the six (6) month period ending on the last day of the month preceding the date of submission of the said statement, together with such other detailed information as the Port Authority may request from time to time regarding Wages, Health and Supplemental Benefits paid or provided by the Contractor or its subcontractor to Employees engaged in providing the Contractor's Services under the Contract. Each certified statement shall, at a minimum, contain the level of detail specified in Exhibit 1.

The Port Authority's acceptance of a certification statement in a format other than what is set forth in this section shall not relieve the Contractor of any of the obligations contained in this section for Wage, Health and Supplemental Benefits accepted by the Port Authority and required to be provided to the Contractor's Employees.

K. In the event that an audit of the Contractor's (or subcontractors) books and records or the aforesaid monthly statements submitted by the Contractor (or subcontractor) to the Port Authority should disclose that for any Contract Year, either the Contractor or a subcontractor has not paid at least the Minimum Hourly Wages as set forth above, the Average Hourly Direct Wages, Supplemental Benefits and Health Benefits as set forth in the "Calculation of Average Hourly Rate Form" and accepted by the Port Authority, (including any adjustments, if provided for, reflecting changes in the Consumer Price Index or other indices or instruments as identified by the Port Authority), the Contractor shall pay to the Contractor's Employees who have not been paid the proper employee payments (or to the Port Authority for retention by the Port Authority until such time as the Contractor's Employees are paid), or shall pay to the subcontractor's Employees similarly affected or shall have the subcontractor so pay, at the option of the Port Authority, an amount (calculated for the Contractor or subcontractor which has not paid or provided the required amounts hereunder) equivalent to the product obtained by multiplying the difference between the employee payments required hereunder and the employee payments actually paid or provided by the number of non-overtime hours worked by the affected Employees of the subject Contractor or subcontractor employed during such Contract year, calculated per Paragraph C position category (hereinafter referred to as the "Underpayment Amount"). The Port Authority may, in its discretion, elect to deduct the Underpayment Amount due from the Contractor in accordance with the provisions of this Section from any subsequent payment payable to the Contractor under this Contract plus an amount equal to any payroll and associated taxes which would have been paid on the Underpayment Amount from any subsequent payment payable to the Contractor under this Contract.

L. In addition to the underpayment payable by the Contractor, the Port Authority may deduct interest on the underpayment amount calculated at 19.2% annual interest from any subsequent payment to the Contractor.

M. If requested by the Port Authority, the Contractor shall submit to the Port Authority for approval, a plan for the Contractor's or subcontractors' return of the underpayment to each affected Employee, including a deadline for compliance. In approving such a plan, the Authority may require the Contractor or a subcontractor to return the underpayment to the affected Employees in cash and the Contractor or the subcontractor is responsible for any additional payroll taxes resulting from this payment.

## **CALCULATION OF HOURLY RATE FORM**

### **INSTRUCTIONS FOR CALCULATION OF AVERAGE HOURLY RATE FORM**

Attached are the "Calculation of Average Hourly Rate" forms for the enumerated positions under this Contract, for each year of the Base Term. A separate form is required for each employee category. The Bidder shall use these forms in support of the Wages, Health and Supplemental Benefits Clause required under this Contract. When completing this form, please refer to the definitions located in the aforementioned clause.

A Bidder's entries in these forms for Item#1, Item#2 and Item #3 shall become requirements if the bid is accepted by the Port Authority and the Bidder must maintain the averages quoted at all times.

Nothing in the forms shall modify the requirements of the clause entitled, "Wages, Health and Supplemental Benefits" or the terms and conditions of the subject Contract.

Please note that all calculations should be based on two thousand and eighty (2,080) annual hours.

CONTRACTOR'S NAME: \_\_\_\_\_ BID NUMBER \_\_\_\_\_

**BUS DRIVER**

MINIMUM WAGE: \$13.15

FULL-TIME EMPLOYEES FORM

ITEM# 1

AVERAGE HOURLY DIRECT WAGES \$ \_\_\_\_\_  
NUMBER OF EMPLOYEES \_\_\_\_\_

ITEM #2

AVERAGE HEALTH BENEFITS  
HEALTH \$ \_\_\_\_\_

ITEM #3

AVERAGE SUPPLEMENTAL BENEFITS (ITEMS NOT REQUIRED BY LAW)      NUMBER OF  
DAYS

PROVIDED  
HOLIDAY ALLOWANCE \$ \_\_\_\_\_  
VACATION ALLOWANCE \$ \_\_\_\_\_  
SICK TIME ALLOWANCE \$ \_\_\_\_\_  
PENSION \$ \_\_\_\_\_  
WELFARE \$ \_\_\_\_\_  
OTHER SUPPLEMENTAL BENEFITS \$ \_\_\_\_\_  
SPECIFY \_\_\_\_\_

ITEM #4

AVERAGE TAXES AND INSURANCE (ITEM REQUIRED BY LAW)

F.I.C.A. \$ \_\_\_\_\_  
N.Y.S.U.I./ N.J.S.U.I. \$ \_\_\_\_\_  
F.U.I. \$ \_\_\_\_\_  
WORKERS' COMPENSATION \$ \_\_\_\_\_  
GENERAL LIABILITY INSURANCE \$ \_\_\_\_\_  
DISABILITY INSURANCE \$ \_\_\_\_\_  
OTHER TAXES AND INSURANCE \$ \_\_\_\_\_  
SPECIFY \_\_\_\_\_

ITEM #5

AVERAGE ADDITIONAL COMPONENTS  
(IF APPLICABLE)  
VEHICLE/MTCE/FUEL \$ \_\_\_\_\_  
UNIFORMS \$ \_\_\_\_\_  
EQUIPMENT \$ \_\_\_\_\_  
MATERIALS \$ \_\_\_\_\_  
SUPPLIES \$ \_\_\_\_\_  
RELIEF \$ \_\_\_\_\_  
ROLL CALL \$ \_\_\_\_\_  
OTHER COMPONENTS NOT SPECIFIED ABOVE\$ \_\_\_\_\_  
SPECIFY \_\_\_\_\_

AVERAGE GENERAL ADMINISTRATIVE COSTS, OVERHEAD  
AND PROFIT \$ \_\_\_\_\_

CONTRACTOR'S NAME: \_\_\_\_\_ BID NUMBER \_\_\_\_\_

**BUS ROUTE SUPERVISOR**

MINIMUM WAGE: \$15.15 per hour

FULL-TIME EMPLOYEES FORM

ITEM# 1

AVERAGE HOURLY DIRECT WAGES \$ \_\_\_\_\_  
NUMBER OF EMPLOYEES \_\_\_\_\_

ITEM #2

AVERAGE HEALTH BENEFITS  
HEALTH \$ \_\_\_\_\_

ITEM #3

AVERAGE SUPPLEMENTAL BENEFITS (ITEMS NOT REQUIRED BY LAW)      NUMBER OF  
DAYS

PROVIDED  
HOLIDAY ALLOWANCE \$ \_\_\_\_\_  
VACATION ALLOWANCE \$ \_\_\_\_\_  
SICK TIME ALLOWANCE \$ \_\_\_\_\_  
PENSION \$ \_\_\_\_\_  
WELFARE \$ \_\_\_\_\_  
OTHER SUPPLEMENTAL BENEFITS \$ \_\_\_\_\_  
SPECIFY \_\_\_\_\_

ITEM #4

AVERAGE TAXES AND INSURANCE (ITEM REQUIRED BY LAW)

F.I.C.A. \$ \_\_\_\_\_  
N.Y.S.U.I./ N.J.S.U.I. \$ \_\_\_\_\_  
F.U.I. \$ \_\_\_\_\_  
WORKERS' COMPENSATION \$ \_\_\_\_\_  
GENERAL LIABILITY INSURANCE \$ \_\_\_\_\_  
DISABILITY INSURANCE \$ \_\_\_\_\_  
OTHER TAXES AND INSURANCE \$ \_\_\_\_\_  
SPECIFY \_\_\_\_\_

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AVERAGE ADDITIONAL COMPONENTS  
(IF APPLICABLE)  
VEHICLE/MTCE/FUEL \$ \_\_\_\_\_  
UNIFORMS \$ \_\_\_\_\_  
EQUIPMENT \$ \_\_\_\_\_  
MATERIALS \$ \_\_\_\_\_  
SUPPLIES \$ \_\_\_\_\_  
RELIEF \$ \_\_\_\_\_  
ROLL CALL \$ \_\_\_\_\_  
OTHER COMPONENTS NOT SPECIFIED ABOVE \$ \_\_\_\_\_  
SPECIFY \_\_\_\_\_

AVERAGE GENERAL ADMINISTRATIVE COSTS, OVERHEAD  
AND PROFIT \$ \_\_\_\_\_

This communication should be initialed by you and annexed to your Bid upon submission.

In case any Bidder fails to conform to these instructions, its Bid will nevertheless be construed as though this communication had been so physically annexed and initialed.

THE PORT AUTHORITY OF NY & NJ

SELENE ORTEGA, MANAGER  
COMMODITIES AND SERVICES

BIDDER'S FIRM NAME: \_\_\_\_\_

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

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

QUESTIONS CONCERNING THIS ADDENDUM MAY BE ADDRESSED TO SHANTA NELSON, WHO CAN BE REACHED AT (212) 435 -4661 OR AT SNELSON@PANYNJ.GOV.

(Sample Statement)

**XYZ COMPANY - Contract # \_\_\_\_\_**  
**WAGE and BENEFITS STATEMENT**  
 Period Covered: June 1, xxxx to Novemer 30, xxxx

	<u>Job Class 1</u>	<u>Job Class 2</u>	<u>Job Class 3</u>	<u>Job Class 4</u>	<u>Job Class 5</u>
<b>Number of Employees</b>	_____	_____	_____	_____	_____
<b><u>MINIMUM HOURLY WAGES</u></b>					
<b>RATES PAID</b>	\$9.50	\$10.50	\$11.50		
<b>CONTRACT REQUIREMENTS</b>	\$10.00	\$10.25	\$11.25		
<b>Difference</b>	<b>(\$0.50)</b>	<b>\$0.25</b>	<b>\$0.25</b>		
<b><u>Direct Wages</u></b>					
Straight-Time Direct Wages	\$ 375,000.00	\$ 275,000.00	\$ 110,000.00		
Shift Differential	2,000.00	-	-		
<b>Total Wages</b>	<b>\$377,000.00</b>	<b>\$275,000.00</b>	<b>\$110,000.00</b>		
<b><u>Health Benefits</u></b>					
Health/Welfare	\$ 75,000.00	\$ 50,000.00	\$ 40,000.00		
<b>Total Health Benefits</b>	<b>75,000.00</b>	<b>50,000.00</b>	<b>40,000.00</b>		
<b><u>Supplemental Benefits</u></b>					
Holiday	\$ 9,500.00	\$ 8,000.00	\$ 9,500.00		
Vacation	4,000.00	3,000.00	4,000.00		
Sick	4,000.00	3,000.00	4,000.00		
Personal	1,000.00	1,000.00	1,000.00		
Dental	1,000.00	1,000.00	1,000.00		
Jury Duty / Bereavement	-	500.00	-		
Bonus	13,600.00	10,000.00	13,600.00		
Pension / 401K	12,500.00	12,000.00	12,500.00		
Other (please specify)	-	-	-		
<b>Total Supp. Benefits</b>	<b>\$ 45,600.00</b>	<b>\$ 38,500.00</b>	<b>\$ 45,600.00</b>		
<b><u>HOURS</u></b>					
Straight-Time Hours	36,600.00	25,000.00	11,000.00		
Add: Roll Call Time, if applicable	550.00	550.00	550.00		
Less: Relief Time, if applicable	(500.00)	(500.00)	(500.00)		
Less: Meal Time, if applicable	-	-	-		
<b>Hours Worked</b>	<b>36,650.00</b>	<b>25,050.00</b>	<b>11,050.00</b>		
<b>Average Rates</b>					
Average Direct Wages Paid	\$ 10.29	\$ 10.98	\$ 9.95		
Contract Requirements	10.25	10.50	10.75		
<b>Difference</b>	<b>\$ 0.04</b>	<b>\$ 0.48</b>	<b>\$ (0.80)</b>		
Average Health Benefits Paid	\$ 2.05	\$ 2.00	\$ 3.62		
Contract Requirements	\$ 2.00	\$ 2.00	\$ 2.00		
<b>Difference</b>	<b>\$ 0.05</b>	<b>(0.00)</b>	<b>\$ 1.62</b>		
Average Supplemental Benefits Paid	\$ 1.24	\$ 1.54	\$ 4.13		
Contract Requirements	\$ 1.50	\$ 1.70	\$ 4.13		
<b>Difference</b>	<b>\$ (0.26)</b>	<b>(0.16)</b>	<b>\$ (0.00)</b>		
<b><u>MINIMUM SALARIES (if applic.)</u></b>					
<b>SALARIES PAID</b>			\$33,375	\$42,777	
<b>CONTRACT REQUIREMENTS</b>			\$33,375	\$40,600	
<b>Difference</b>			<b>\$0</b>	<b>\$2,177</b>	

**Note:**  
 Details by month and by employee must be available and may be submitted with this statement.

**Statement Certified by:** \_\_\_\_\_  
 Name Title Date