

THE PORT AUTHORITY OF NY & NJ

**PROCUREMENT DEPARTMENT
TWO MONTGOMERY STREET, 3RD FLOOR
JERSEY CITY, NEW JERSEY 07302**

REQUEST FOR PROPOSALS

ISSUE DATE: March 9, 2015

**TITLE: REQUEST FOR PROPOSALS FOR AN ENTERPRISE RISK
MANAGEMENT (ERM)/GOVERNANCE RISK COMPLIANCE
(GRC) SOFTWARE SOLUTION**

RFP NO.: 41681

**SUBMIT PROPOSALS NO LATER THAN THE DUE DATE AND TIME TO THE ADDRESS
NOTED ON THE BOTTOM OF THIS COVER PAGE. NO PROPOSALS WILL BE
ACCEPTED BEFORE APRIL 1, 2015.**

QUESTIONS DUE BY: MARCH 16, 2015 TIME: 2:00 P.M.

PROPOSAL DUE DATE: APRIL 10, 2015 TIME: 2:00 P.M.

**CONTACT: JAMES SUMMERVILLE, PR. CONTRACTS SPECIALIST
PHONE: (201) 395-3454
FAX: (201) 395-3470
EMAIL: jsummerville@panynj.gov**

**NOTE: THE PROCUREMENT DEPARTMENT IS RELOCATING DURING
THE SOLICITATION PERIOD FOR THIS RFP. PROPOSERS SHALL MAIL
OR DELIVER THEIR PROPOSALS TO THE NEW LOCATION:**

**150 GREENWICH ST., 21ST FLOOR, NEW YORK, NEW YORK, 10006
ATTN.: BID/RFP CUSTODIAN**

**(150 GREENWICH STREET IS ALSO KNOWN AS 4 WORLD TRADE
CENTER [4 WTC]).**

F. Proposal	16
G. Acknowledgment of Addenda	19
H. Acceptance of Standard Contract Terms and Conditions	19
I. M/WBE Plan	19
9. CONDITIONS FOR THE SUBMISSION OF A PROPOSAL	19
A. Changes to this RFP	19
B. Proposal Preparation Costs	20
C. Disclosure of Proposal Contents / Use of Ideas and Materials	20
D. Ownership of Submitted Materials	20
E. Subcontractors	20
F. Conflict of Interest	20
G. Authorized Signature	20
H. References	20
I. Evaluation Procedures and Negotiation	21
J. Taxes and Costs	21
K. Most Advantageous Proposal/No Obligation to Award	21
L. Multiple Contract Awards	21
M. Right to Extend Contract	21
N. Rights of the Port Authority	21
O. No Personal Liability	22
10. ATTACHMENTS	22
ATTACHMENT A: AGREEMENT ON TERMS OF DISCUSSION	23
ATTACHMENT B: GENERAL CONTRACT PROVISIONS	24
1. GENERAL AGREEMENT	24
2. DEFINITIONS	24
3. GENERAL PROVISIONS	25

4. INTELLECTUAL PROPERTY	25
5. PROPRIETARY RIGHTS IN SUBJECT MATTER NOT WITHIN THE INTELLECTUAL PROPERTY CLAUSE	26
6. INDEMNITY IN REGARD TO INFRINGEMENT MATTER	26
7. CONTRACT RECORDS AND DOCUMENTS – PASSWORDS AND CODES	27
8. COMPLIANCE WITH WEB SITE TERMS OF USE AND PRIVACY POLICIES	27
9. TIME IS OF THE ESSENCE	27
10. FINAL PAYMENT	27
11. DEFAULT, REVOCATION OR SUSPENSION OF CONTRACT	28
12. WITHHOLDING OF PAYMENT	31
13. CONTRACTOR PERSONNEL STANDARDS OF PERFORMANCE	32
14. DESIGNATED SECURE AREAS	32
15. NOTIFICATION OF SECURITY REQUIREMENTS	32
16. INSURANCE PROCURED BY THE CONTRACTOR	35
17. ASSIGNMENTS AND SUBCONTRACTS	36
18. CERTAIN CONTRACTOR'S WARRANTIES	37
19. RIGHTS AND REMEDIES OF THE AUTHORITY	38
20. RIGHTS AND REMEDIES OF THE CONTRACTOR	39
21. TAX EXEMPTIONS	39
22. TITLE TO EQUIPMENT	39
23. NOTICE REQUIREMENTS	39
24. SERVICE OF NOTICES ON THE CONTRACTOR	40

25.	NO THIRD PARTY RIGHTS	40
26.	INDEMNIFICATION AND RISKS ASSUMED BY THE CONTRACTOR	41
27.	APPROVAL OF METHODS	42
28.	PORT AUTHORITY TECHNOLOGY STANDARDS AND GUIDELINES AND SUPPLEMENTAL GUIDELINES FOR THE PORT AUTHORITY TECHNOLOGY SERVICES DEPARTMENT	42
29.	SUBMISSION TO JURISDICTION	42
30.	APPLICABLE LAW	42
31.	AUTHORITY OF THE DIRECTOR	42
32.	APPROVALS BY THE DIRECTOR	43
33.	CONTRACT REVIEW AND COMPLIANCE AUDITS	43
34.	AUTHORITY ACCESS TO RECORDS	44
35.	HARMONY	44
36.	CLAIMS OF THIRD PERSONS	45
37.	NO DISCRIMINATION IN EMPLOYMENT, EQUAL EMPLOYMENT OPPORTUNITY	45
38.	CONTRACTOR'S INTEGRITY PROVISIONS	45
39.	CONFIDENTIAL INFORMATION/NON-PUBLICATION	51
40.	PROVISIONS OF LAW DEEMED INSERTED	52
41.	INVALID CLAUSES	52
42.	NO ESTOPPEL OR WAIVER	52
43.	NON-LIABILITY OF THE AUTHORITY REPRESENTATIVES	52
44.	MODIFICATION OF CONTRACT	52

45. DISADVANTAGED BUSINESS PROGRAM (DBE)	52
46. TRASH REMOVAL	56
47. ENTIRE AGREEMENT	56
ATTACHMENT C: CONTRACT SPECIFIC TERMS AND CONDITIONS	57
ATTACHMENT D: SCOPE OF WORK	61
ATTACHMENT E: COST PROPOSAL	78
ATTACHMENT F - CERTIFIED ENVIRONMENTALLY PREFERABLE PRODUCTS/PRACTICES	81
ATTACHMENT G: PROPOSER REFERENCE FORM	83
ATTACHMENT H: CONTROL REQUIREMENTS CONTRACT CHECKLIST	84
ATTACHMENT I: STANDARDS AND GUIDELINES FOR PORT AUTHORITY TECHNOLOGY	91
ATTACHMENT J: FEMA REQUIREMENTS	92
DBE FORMS: APPENDICES A1-A5	93

1. INFORMATION FOR PROPOSERS ON THIS REQUEST FOR PROPOSALS

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 and Journal Square Transportation Center bus stations. 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 an on-premise Enterprise Risk Management (ERM)/Governance Risk Compliance (GRC) software solution for the tracking, measurement, management, and reporting of business risks, as more fully described herein.

This Contract resulting from this RFP may be funded in whole or in part by the United States Department of Homeland Security, Federal Emergency Management Agency (FEMA). As a result, the selected Proposer (i.e., Contractor, and its sub-contractors) agrees to comply with the applicable FEMA requirements, special grant conditions and all other federal, state and local laws that are or may become applicable to this Agreement. The current FEMA Requirements are set forth in Attachment J of this Agreement.

B. Brief Summary of Scope of Work

As described in detail in Attachment D (Scope of Work), the selected Proposer (i.e. Contractor) shall provide, install and maintain Enterprise Risk Management (ERM)/Governance Risk Compliance (GRC) software that will enable the Authority to identify, assess, monitor, manage, and report on external and internal enterprise risks. The Contractor shall also provide training on the use of the software.

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, including, but not limited to, delays caused by any delivery services, building access procedures, or security requirements.

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 ten double-sided copies 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 as well as the 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. Failure to properly label proposal submissions may cause a delay in identification, misdirection or disqualification of proposal submissions.

PROPOSALS WILL BE DUE TO THE NEW PORT AUTHORITY PROCUREMENT DEPARTMENT LOCATION AT 4 WORLD TRADE CENTER LOCATED AT 150 GREENWICH STREET, 21ST FLOOR, NEW YORK, NEW YORK, 10006.

It is necessary to carry valid government-issued photo identification when attempting to gain access into the building to hand deliver proposals. Proposers delivering proposals should anticipate extensive delays. All packages entering the property are subject to additional layers of security screening. There is no parking available at 4 WTC/150 Greenwich Street and parking in the surrounding area is extremely limited.

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.

PROPOSERS SHALL SUBMIT COST PROPOSALS (INCLUDING ALL PRICE FORMS) IN A SEPARATELY MARKED ENVELOPE AS DIRECTED IN SECTION 8.F.13, BELOW.

F. Communications Regarding this RFP

All communications concerning this RFP should be directed to the Contracts Specialist listed on the cover page. All questions regarding this RFP should be submitted by email to the Contracts Specialist

at the email address listed on the cover page no later than 3:00 p.m. (EST) on the date question due date specified on the cover page.

The Contracts Specialist 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 Contracts Specialist 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" (Attachment B) 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 "Sales or Compensating Use Taxes", in the "Standard Contract Terms and Conditions" 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 Scope of Work is set forth in Attachment D (Scope of Work).

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:

- a. The Proposer shall have had at least three (3) years of continuous experience immediately prior to the date of the submission of its proposal in supplying and installing ERM/GRC software solutions to commercial and industrial 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 and type of direct continuous experience immediately prior to the submission of this proposal as is required of the Proposer, or has owned and controlled other entities which meet the requirement.
- b. The Proposer shall have had at least one (1) year of continuous experience immediately prior to the date of the submission of its proposal in maintaining ERM/GRC software solutions to commercial and industrial accounts under one 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 and type of direct continuous experience immediately prior to the submission of this proposal as is required of the Proposer, or has owned and controlled other entities which meet the requirement.
- c. During the time period stated in (a) above, the Proposer shall demonstrate satisfactory performance of at least 3 contract(s) for similar services of similar scope.

In the event a proposal is submitted by a joint venture the foregoing prerequisites will be considered with respect to such Proposal as follows:

With respect to subparagraph (a) and (b) above, the prerequisite will be considered satisfied if the joint venture itself, or any of its participants individually, can meet the requirements.

If the proposal is submitted by a common law joint venture, a joint venture that has not been established as a distinct legal entity, each participant of the joint venture shall be held jointly and severally liable and must individually execute and perform all acts required by this proposal. Documents signed by a common law joint venture, in connection with this proposal, shall include the names of all participants of the joint venture followed by the words "acting jointly and severally". All joint venture proposers must provide documentation of their legal status.

All Proposers must include documentation that they meet the above prerequisites.

By furnishing this solicitation document to Proposers, the Port Authority has not made a determination that the Proposers have met the prerequisites or have otherwise been deemed qualified to perform the services. In addition, a determination that a Proposer has met the prerequisites is no assurance that they will be deemed qualified in connection with other proposal requirements included herein.

Proposers shall use Attachment G to substantiate satisfaction of Prerequisites a and b, above.

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 either reviewed or compiled statements from an independent accountant setting forth the aforementioned information shall be provided.
- (3) Where neither certified financial statements nor financial statements from an independent accountant are available, as set forth in (1) and (2) above, then financial statements containing such information prepared directly by the Proposer may be submitted; such financial statements, however, must be accompanied by a signed copy of the Proposer's most recent Federal income tax return and a statement in writing from the Proposer, signed by an executive officer or his/her designee, that such statements accurately reflect the present financial condition of the Proposer.

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 and/or proposal 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 Port Authority will review proposals to determine if they satisfy all requirements of the RFP, including adherence to the RFP's specified format and the provision of all required documentation. Proposals will then be reviewed according to a multi-phase evaluation process. The **first phase** of the evaluation process includes a detailed review and evaluation of the following criteria, set forth in the order of importance:

A. Technical Plan; Work Approach:

The degree to which the features and functions of the proposed System meet the requirements and objectives stated in the RFP; the proposed installation and maintenance plans; the Proposer's ability ~~and willingness to satisfy the service levels specified in the Scope of Work.~~

B. Management Approach/Firm Experience and Qualifications:

The Proposer's staffing capacity, financial stability, industry track record, and capability of managerial, technical and physical resources to deliver the required services over an extended period of time; the Proposer's commitment to provide the requested services, to meet or exceed all requirements; the quality and effectiveness of the Proposer's M/WBE Plan and the extent to which it meets or exceeds Port Authority Standards.

Moreover, consideration will be given to the degree of business risk assumed by the Port Authority. This will include but not be limited to the assessment of the impact resulting from the possible failure of the Contractor to perform under the terms and conditions of this Contract. As part of the evaluation, business risk will also be measured by the Port Authority's assessment of its ability to immediately replace the Contractor in a manner that maintains or improves the quality and continuity of the services required herein.

Only those proposals receiving the highest scores in the first phase of the evaluation process, which will also include oral presentations from select proposers, will be evaluated in **subsequent rounds of evaluation**, which will include an evaluation of the cost proposals from the highest rated proposers. Cost proposals are evaluated according to the degree and extent to which the Proposal is cost effective to the Port Authority and the overall cost of the services.

6. DBE PARTICIPATION

This Agreement is subject to the United States Department of Transportation regulations on Disadvantaged Business Enterprises (DBEs) contained in Part 26 of Title 49 of the Code of Federal Regulations. The following goal for DBE participation has been set for this Agreement: 0%.

This goal is for firms owned and controlled by socially and economically disadvantaged individuals and certified as DBEs as approved by the Authority. Eligible DBE firms are listed on the following Uniform Certification Programs (UCPs) websites:

New York UCP – <http://www.nysucp.net/>

New Jersey UCP – <http://www.njucp.net/>

By proposing on this Agreement, the Proposer assures the Authority that it will meet the foregoing goal and shall submit the DBE Goals Statement form (Appendix A1) with its Proposal. If the Proposer determines it cannot make this assurance it may nevertheless submit a proposal but in such event it shall note on the DBE Goals Statement form, the percentage of DBE participation the proposer anticipates, including documentation supporting the good faith efforts made to achieve the goals set forth in the Agreement.

The Proposer shall submit with its Proposal the DBE Participation Plan and Affirmation Statement (Appendix A-2) for each DBE firm it intends to use on this Agreement. The DBE Participation Plan and Affirmation Statement shall provide the name and address of each DBE firm, a description of the work to be performed, the dollar value of each DBE subcontractor and the signature affirmation from each DBE firm participating in this Agreement.

A Proposer who fails to meet the DBE goal for this Agreement and fails to demonstrate to the Authority that the Proposer has made good faith efforts to meet same shall not be eligible to be awarded the Agreement. The following are illustrative of good faith efforts:

- A. Attendance at a pre-proposal meeting, if any, scheduled by the Authority to inform DBEs of subconsulting opportunities under a given solicitation;
- B. Advertisement in general circulation media, trade association publications, and minority-focused media for at least 20 days before proposals are due. If 20 days are not available, publication for a shorter reasonable time is acceptable;
- C. Written notification to DBEs that their interest in the Agreement is solicited;
- D. Efforts made to select portions of the services proposed to be performed by DBEs in order to increase the likelihood of achieving the stated goal;
- E. Efforts to negotiate with DBEs for specific subcontractor services, including, at a minimum;
 1. The names, addresses, and telephone numbers of DBEs that were contacted;
 2. A description of the information provided to DBEs regarding the drawings and specifications for portions of the services to be performed;
 3. A statement of why additional agreements with DBEs were not reached;
- F. Information concerning each DBE the Proposer contacted, but rejected as unqualified, and the reasons for the rejection;
- G. Efforts made to assist the DBEs contacted that need assistance in obtaining bonding or insurance required by the Proposer or Authority.

The Proposer shall submit with its Proposal the completed Information on Solicited Firms form (Appendix A-3) listing every firm that provided a quotation to the proposer for any subcontractor to be performed under this Contract, whether or not the firms are DBE certified and whether or not the firms' cost proposal were included in the final Proposal.

7. CERTIFICATION OF RECYCLED MATERIALS PROVISION

Proposers shall submit, with their proposal, a completed copy of Attachment X: the Certified Environmentally Preferable Products / Practices Form attesting that the products or items offered by the Proposer contain the minimum percentage of post-consumer recovered material in accordance with the most recent guidelines issued by the United States Environmental Protection Agency (EPA), or, for commodities not so covered, the minimum percentage of post-consumer recovered materials established by other applicable regulatory agencies.

Recycling Definitions:

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

- a. "Recovered Material" shall be defined as any waste material or by-product that has been recovered or diverted from solid waste, excluding those materials and by-products generated from, and commonly reused within, an original manufacturing process.
- b. "Post-consumer Material" shall be defined as any material or finished product that has served its intended use and has been discarded for disposal or recovery having completed its life as a consumer item. "Post-consumer material" is included in the broader category of "Recovered Material".
- c. "Pre-consumer Material" shall be defined as any material or by-product generated after the manufacture of a product but before the product reaches the consumer, such as damaged or obsolete products. Pre-consumer Material does not include mill and manufacturing trim, scrap, or broken material that is generated at a manufacturing site and commonly reused on-site in the same or another manufacturing process.
- d. "Recycled Product" shall be defined as a product that contains the highest amount of post-consumer material practicable, or when post-consumer material is impracticable for a specific type of product, contains substantial amounts of Pre-consumer Material.
- e. "Recyclable Product" shall be defined as the ability of a product and its packaging to be reused, reconditioned for use, or recycled through existing recycling collection programs.
- f. "Waste Reducing Product" shall be defined as any product that will result in less waste generated due to its use rather than another product designed to serve the same function with an greater waste generation rate. This shall include, but not be limited to, those products that can be reused, refilled or have a longer life expectancy and contain a lesser amount of toxic constituents.

8. PROPOSAL SUBMISSION REQUIREMENTS

In order to expedite the evaluation of proposals, the Proposer's response to this RFP shall 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 authorize 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 the Contract is awarded to a common law joint venture, each member will be jointly and severally liable under the Contract.

B. 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.

C. 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.

D. Certifications With Respect to the Contractor’s Integrity Provisions

The Proposer, by signing the Letter of Transmittal, makes the certifications in the “Contractor’s Integrity Provisions,” included in Attachment B of this RFP. If the Proposer cannot make any such certifications, it shall enclose an explanation of that inability (“Certification Statement”).

E. Documentation of Proposer Prerequisites

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

F. Proposal

The Proposer must submit a proposal that details and clearly describes its experience and capability to provide a System that satisfies the requirements specified in the Scope of Work and to perform related services, its approach to such work and the cost of such work to the Port Authority. At a minimum, the proposal shall address the following:

1. Technical Plan/Work Approach:

The Proposer shall describe in detail how its proposed system satisfies the requirements listed in the Scope of Work (SOW). In addition, the proposal shall include:

- A. A detailed matrix comparing the proposed System to the requirements set forth in the SOW. The matrix shall be provided in the following format:

Requirement in SOW	Satisfies? Yes or No	Will Need to Configure the Software to Meet the Requirement? N/A or Yes or No	Comments
Section XX			
Section XX			

- B. Detailed case studies demonstrating how the proposed system was deployed for other entities similar in size and complexity to the Port Authority;
- C. A description (confirmation) on how the System complies with the Control Requirements Contract Checklist (Attachment H), Standards & Guidelines for Port Authority Technology (Attachment I), and the Port Authority Information Security Handbook (<http://www.panynj.gov/business-opportunities/pdf/Corporate-Information-Security-Handbook.pdf>)
- D. A description of the System’s security, and the security policies and procedures of the Proposer.
- E. Proof that the Proposer is proposing the current/latest version of its system to the Port Authority.

- F. **Technology Roadmap:** The Proposal shall include a technology roadmap conveying planned or anticipated changes (e.g. updates) to the proposed software in the next five years. The Roadmap shall also convey any assumptions or obligations on the customer as a result of such changes.
 - G. **Required Hardware:** A list of all hardware required to support the System. The list shall describe the hardware, identify its manufacturer and the manufacturer's part numbers.
2. **Maintenance Plan:** The Proposal shall include a plan to maintain the software. The Plan shall address the provision of all software fixes, updates, patches and new releases, and to provide corrective and preventive maintenance.
 3. **Installation Plan:** The Proposal shall include a plan and schedule, with assumptions, to install the software.
 4. **Management Plan/Firm Experience:** The Proposal shall describe the management structure and proposed staffing for fulfilling the requirements of the SOW, and include resumes (of the project/engagement manager and key technical staff) and other supporting documentation demonstrating the Proposer's ability to perform and manage the work.

This section shall also describe the extent and quality of relevant and successful experience of the Proposer, including the provision of services similar in size and scope to that defined in the SOW. Specifically, the Proposal shall submit a list of all ERM/GRC software systems, similar to that proposed to the Authority, furnished by the Proposer in the last five years.

5. **Training Plan:** The Proposal shall describe the plan to provide training according to the requirements specified in the SOW.
6. **Licensing Model:** The Proposal shall describe the Proposer's licensing model for the requirements set forth in the SOW.
7. **License, Maintenance, Escrow Agreements:** The Proposal shall include copies of all license, maintenance, escrow agreements for the proposed System.
8. **Integration:** The Proposal shall demonstrate the proposed System's ability to integrate with the applications listed in Section 6 of the SOW (Attachment D). In addition, the Proposal shall identify the Proposer's authorized resellers that can integrate the proposed System with the listed applications.

Note: This RFP does not include integration between the selected System and the listed applications. Such integration will be sought under a different solicitation.

9. **Other:** The Proposal must include the Proposer's plan to ensure compliance with the requirements of the Contract, including but not limited to:

- The Proposer's M/WBE Participation Plan, in accordance with the M/WBE Subcontracting Provisions hereunder.

The Proposer's Certified Environmentally Preferable Products/Practices Form ensuring compliance with all applicable federal, state and local standards in their business practices, in accordance with the Certified Environmentally Preferable Products/Practices Provision. In addition, the Proposal shall confirm that the Proposer submitted the completed Background Qualification Questionnaire (BQQ) to the Authority's Office of Inspector General, according to the instructions set forth in Section 10 of Attachment C.

10. Contractor Identity Check/Background Screening Plan

The Proposer shall submit a Contractor Identity Check/Background Screening Plan, which demonstrates how the Proposer will ensure that only employees who were successfully prescreened and properly credentialed 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 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.

11. Business Risk

The Proposer shall submit risk assessment and succession plans to the Contractor and the Port Authority, that assess the business risk in taking on the significant amount of new work that will be required under this Contract. The risk assessment plan should take into account all work currently under contract, as well as work that is under contract to companies which the Proposer owns, controls or has an interest.

12. Background Qualification Questionnaire (To be submitted directly to the Office of the Inspector General)

The Proposer shall submit a completed Background Qualifications Questionnaire (BQQ), required for itself and all consultants, contractors, subcontractors, subconsultants and vendors providing services for the Port Authority, known to the Proposer at the time of proposal submission. This document and instructions for submitting the completed BQQ to the Authority's Office of Inspector General can be obtained at the Authority's website through the following link:

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

13. Cost Proposal:

Using Attachment E hereof, the Proposer shall submit a Cost Proposal indicating the compensation that it expects to receive. The Cost Proposal shall be complete and inclusive of all work required by this RFP, including but not limited to material and labor costs, fuel costs, any salaries, health benefits and other benefits, overheads, profits, etc.

The Cost Proposal shall be provided ONLY in a separately marked envelope entitled Cost Proposal. The Cost Proposal shall appear only in such envelope and nowhere else in the proposal.

The Proposer shall provide any other information that is related to the requirements in this Section (Section F), that the Proposer believes would be helpful to the Port Authority in the evaluation of its proposal.

G. Acknowledgment of Addenda

If any Addenda are posted or 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.

H. Acceptance of Standard Contract Terms and Conditions

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.

I. M/WBE Plan

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

9. 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, including those references listed on Attachment G.

I. Evaluation Procedures and Negotiation

Only Proposers which meet the prerequisites, if any, 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 120 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.

10. ATTACHMENTS

None

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 revised Freedom of Information Policy adopted by the Port Authority's Board of Commissioners on October 22, 2014, or as may be amended, which may be found on the Port Authority website at: http://www.panynj.gov/corporate-information/pdf/board_minutes_102214.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 injury to the competitive position of the enterprise, and which information is identified by the Proposer as proprietary, as more fully set forth in the FOI Policy, which may be disclosed by the undersigned to the Port Authority as part of or in connection with the submission of a proposal.

(Company)

(Signature)

(Title)

(Date)

**ORIGINAL AND PHOTOCOPIES OF THIS PAGE ONLY.
DO NOT RETYPE.**

ATTACHMENT B: GENERAL CONTRACT PROVISIONS

1. GENERAL AGREEMENT

The undersigned (hereinafter referred to as the "Contractor" or "you") agrees to provide, and The Port Authority of New York and New Jersey (hereinafter referred to as the "Authority") agrees to accept to provide all the necessary supervision, personnel, equipment, materials and all other things necessary to perform the Services required by this Contract 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 their intent are required by the Scope of Work and the Contractor shall perform the same as though they were specifically mentioned, described and delineated.

2. DEFINITIONS

As used herein, "Director" shall mean the Port Authority's Chief Security Officer and the Port Authority's Comptroller, acting through their 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 Directors have designated the Project Manager to act as their duly authorized representative.

For the purposes of this Agreement, the Project Manager (or "Manager") shall be the individual with day-to-day responsibility for managing the project on behalf of the Port Authority. The Port Authority will convey the name and contact information of the Project Manager to the Contractor no later 5 days after Contract Commencement.

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.

"Services" or "Work" - shall mean all services, equipment and materials (including materials and equipment, if any, furnished by the Authority) and other facilities and all other things necessary or proper for, or incidental to the services to be performed or goods to be furnished in connection with the service to be provided hereunder, as set forth in the Scope of Work.

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

As used herein the term "Specifications" shall mean all requirements of this RFP, technical and otherwise, for the performance of the Scope of Work and services hereunder.

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	

Do not perform any Work unless authorized by the Authority on these days.

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

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 Agreement (unless referable to another expressly written, duly executed agreement 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 Agreement.
- 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.

4. INTELLECTUAL PROPERTY

- A. Except as provided below: as between the Port Authority and the Contractor all process flows, codes including, but not limited to scripts, programs, routines, processes, 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 electronic or 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 or any other knowledge transfer documentation, communication or presentation prepared under this Agreement 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.

The right to use all patented materials, appliances, processes of manufacture or types of construction, trade and service marks, copyrights and trade secrets, collectively hereinafter referred to as "Intellectual Property Rights", in the performance of the work, shall be obtained by the Contractor

without separate or additional compensation. Where the services under this Agreement require the Contractor to provide materials, equipment or software for the use of the Port Authority or its employees or agents, the Port Authority shall be provided with the Intellectual Property Rights required for such use without further compensation than is provided for under this Agreement.

- B. All preexisting 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 services the Contractor utilizes passwords or codes for any purpose, at any time during or after the performance of such services, upon written request by the Authority, the Contractor shall 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.

5. 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 clause 6 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 or 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.

6. 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 preceding clause of such patentable subject matter or patented material, compositions of matter, manufactures, apparatus, appliances, processes of manufacture or types of construction, or copyrighted matter or other 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.

7. CONTRACT RECORDS AND DOCUMENTS – PASSWORDS AND CODES

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

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

8. 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.

9. 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.

10. 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 Agreement.

Within thirty days after issuance of such certificate of total compensation earned (or within thirty days after receipt of the documents provided for in the immediately preceding paragraph, if required 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 Agreement 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.

11. DEFAULT, REVOCATION OR SUSPENSION OF CONTRACT

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

1. If fire or other event shall destroy all or a substantial part of the Facility, asset or infrastructure necessary to perform the Scope of Work.
2. If 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, 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 paragraph, 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 agreement 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 agreement with the Port Authority) or (2) any claim (just or unjust) which arises out of or in connection with this Contract or any other agreement between the Port Authority and the Contractor is made against the Port Authority or (3) any subcontractor under this Contract or any other agreement 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 agreement 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. 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.

12. WITHHOLDING OF PAYMENT

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

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.

13. 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.

14. DESIGNATED SECURE AREAS

Services under the Contract may be required in designated secure areas, as the same may be designated by the Manager from time to time ("Secure Areas"). The Port Authority shall require the observance of certain security procedures with respect to Secure 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. All personnel that require access to designated secure areas who are not under positive escort by an authorized individual will be required to undergo background screening and personal identity verification.

Forty-eight (48) hours prior to the proposed performance of any work in a Secure 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 Secure Areas and the escorting of personnel hereunder. Prior to the start of work, the Contractor shall request a description from the Manager of the Secure Areas which will be in effect on the commencement date. The description of Secure Areas may be changed from time to time and at any time by the Manager during the term of the Contract.

15. 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:

- Execution of Port Authority Approved Non-Disclosure Agreements

At the direction of the Port Authority, the Contractor shall be required to have its principals, staff and/or subcontractor(s) and their staff, execute Port Authority approved non-disclosure agreements.

- Contractor/ Subcontractor identity checks and background screening

The Port Authority's designated background screening provider may require inspection of not less than two forms of valid/current government issued identification (at least one having an official photograph)

to verify staff's name and residence; screening federal, state, and/or local criminal justice agency information databases and files; screening of any terrorist identification files; access identification to include some form of biometric security methodology such as fingerprint, facial or iris scanning, or the like.

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

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

- Issuance of Photo Identification Credential

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

Employees may be required to produce not less than two forms of valid/current government issued identification having an official photograph and an original, unlaminated social security card for identify and SSN verification. Where applicable, for sensitive security construction sites or facilities, successful completion of the application, screening and identify verification for all employees of the Contractor and subcontractors shall be completed prior to 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.

- Compliance with the Port Authority Information Security Handbook

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

- (1) require that the Contractor and subcontractors, when appropriate, sign Non-Disclosure Agreements (NDAs), or an Acknowledgment of an existing NDA, provided by the Authority as a condition of being granted access to Confidential Information categorized and protected as per the Handbook;
- (2) require that individuals needing access to PI be required to undergo a background check, pursuant to the process and requirements noted in § 3.2 of the Information Security Handbook.
- (3) require Contractors and commercial enterprises to attend training to ensure security awareness regarding Port Authority information;
- (4) specific guidelines and requirements for the handling of PI to ensure that the storage and protection of PI;
- (5) restrictions on the transfer, shipping, and mailing of PI;
- ~~(6) prohibitions on the publication, posting, modifying, copying, reproducing, republishing, uploading, transmitting, or distributing PI on websites or web pages. This may also include restricting persons, who either have not passed a pre-screening background check, or who have not been granted access to PI, from viewing such information;~~
- (7) require that PI be destroyed using certain methods, measures or technology pursuant to the requirements set forth in the Handbook;
- (8) require the Contractor to mandate that each of its subcontractors maintain the same levels of security required of the Contractor under any Port Authority awarded contract.
- (9) prohibit the publication, exchange or dissemination of PI developed from the project or contained in reports, except between Contractors and subcontractors, without prior approval of the Port Authority;
- (10) require that PI only be reproduced or copied pursuant to the requirements set forth in the Handbook.

- Audits for Compliance with Security Requirements

The Port Authority may conduct random or scheduled examinations of business practices under this section entitled "NOTIFICATION OF SECURITY REQUIREMENTS" and the Handbook in order to assess the extent of compliance with security requirements, 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.

The Authority may impose, increase, and/or upgrade security requirements for the Contractor, subcontractors and their staffs during the term of this Contract to address changing security conditions and/or new governmental regulations.

16. INSURANCE PROCURED BY THE CONTRACTOR

The Contractor shall not commence the performance of any work on Port Authority premises until the Contractor has received notice from the Port Authority that the insurance provided by the Contractor in accordance with requirements of this Section 16 is satisfactory, as evidenced by the certificate to be furnished under said section. The Agreement term shall not be extended on account of the time required to furnish the documents referred to above, but the Port Authority shall give notice to the Contractor within five (5) days after receipt of the Certificate of Insurance as to whether or not such insurance is satisfactory.

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 - \$ 2 million combined single limit per occurrence for bodily injury and property damage liability.

Automobile Liability Insurance - \$ 2 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 and New Jersey and its related entities, their commissioners, directors, officers, partners, employees and agents as additional insureds", including but not limited to premise-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 condition and severability of interests clause for all policies so that coverage will respond as if separate policies were in force for each insured. An act or omission of one of the insureds shall not reduce or void coverage to the other insureds. Any and all excess and umbrella policies shall 'follow form' by conforming to the underlying policies. 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.

These insurance requirements shall be in effect for the duration of the contract to include any maintenance/warranty/guarantee period.

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 an endorsement 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 Management.

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 Management 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), including but not limited to the cancellation notice endorsement and stating the agreement/contract number prior to the start of work. The General Manager, Risk Management 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 Management, 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 Facility Contractor Administrator, Port Authority at least fifteen (15) days prior to the expiration date of each expiring policy. The General Manager, Risk Management 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#4725N

17. 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.

18. 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;
- A. 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;
- B. 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.

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.

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.

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.

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.

19. RIGHTS AND REMEDIES OF THE AUTHORITY

The Authority shall have the following rights in the event the Director shall deem the Contractor guilty of a breach of any term whatsoever of this contract:

- a) The right to take over and complete the Work or any part thereof as agent for and at the expense of the Contractor, either directly or through other Contractors;
- b) The right to cancel this Contract as to any or all of the Work yet to be performed;
- c) The right to specific performance, an injunction or any other appropriate equitable remedy;
- d) The right to money damages.

For the purpose of this Contract, breach shall include but not be limited to the following, whether or not the time has yet arrived for performance of an obligation under this Contract: a statement by the Contractor to any representative of The Authority indicating that he cannot or will not perform any one or more of his obligations under this Contract; any act or omission of the Contractor or any other occurrence which makes it improbable at the time that he will be able to perform any one or more of his obligations under this Contract; any suspension of or failure to proceed with any part of the Work by the Contractor which makes it improbable at the time that he will be able to perform any one or more of his obligations under this Contract; any false certification at any time by the Contractor as to any material item certified pursuant to the clauses hereof entitled "Certification of No Investigation (Criminal or Civil Anti-Trust), Indictment, Conviction,

Debarment, Suspension, Disqualification and Disclosure of Other Required Information" and "Non-Collusive Bidding and Code of Ethics Certification; Certification of No Solicitation Based on Commission, Percentage, Brokerage, Contingent or Other Fee", or the willful or fraudulent submission of any signed statement pursuant to such clauses which is false in any material respect; or the Contractor's incomplete or inaccurate representation of its status with respect to the circumstances provided for in such clauses.

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

Neither the acceptance of the work or any part thereof, nor any payment therefor, nor any order or certificate issued under this Agreement or otherwise issued by the Authority, or any officer, agent or employee of the Authority, nor any permission or direction to continue with the performance or work, nor any performance by the authority of any of the Contractor's duties or obligations, nor any aid provided to the Contractor by the Authority in his performance of such duties or obligations, nor any other thing done or omitted to be done by the Authority, its Commissioners, officers, agents or employees shall be deemed to be a waiver of any provision of this agreement or of any rights or remedies to which the Authority may be entitled because of any breach hereof, excepting only a resolution of its Commissioners, providing expressly for such waiver. No cancellation, rescission or annulment hereof, in whole or as to any part of the work, because of any breach hereof, shall be deemed a waiver of any money damages to which the Authority may be entitled because of such breach. Moreover, no waiver by the Authority of any breach of this Agreement shall be deemed to be a waiver of any other or any subsequent breach.

20. 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.

21. 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.

22. TITLE TO EQUIPMENT

Title to all equipment to be furnished hereunder by the Contractor shall be transferred to the Authority upon its delivery to the installation site.

The Contractor shall furnish such bills of sale and affidavits of title as the Authority shall reasonably request.

23. 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 agreement (including claims in the nature of breach of contract or fraud or misrepresentation

before or subsequent to execution of this Agreement and claims of a type which are barred by the provisions of this agreement) for damages, payment or compensation of any nature or for performance of any part of this Agreement.

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 Agreement 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.

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 Agreement 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 Agreement.

24. 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.

25. NO THIRD PARTY RIGHTS

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

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

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

- a. The risk of any and all loss or damage to Port Authority property, equipment (including but not limited to automotive and/or mobile equipment), materials and possessions, on or off the premises, the loss or damage of which shall arise out of the Contractor's operations hereunder. The Contractor shall if so directed by the Port Authority, repair, replace or rebuild to the satisfaction of the Port Authority, 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.
- b. The risk of any and all loss or damage of the Contractor's property, equipment (including but not limited to automotive and/or mobile equipment) materials and possessions on the Facility.
- c. The risk of claim, whether made against the Contractor 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.
- d. The risk of claims for injuries, damage or loss of any kind just or unjust of third persons arising or alleged to arise out of the performance of work hereunder, whether such claims are made against the Contractor 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 of 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.

27. APPROVAL OF METHODS

Neither the approval of the Port Authority of the methods of furnishing services 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 furnishing services hereunder, nor the failure of the Port Authority to direct the Contractor to take any particular precautions or to refrain from doing any particular thing shall relieve the Contractor of its liability for injuries to persons or damage to property or environmental impairment arising out of its operations.

28. PORT AUTHORITY TECHNOLOGY STANDARDS AND GUIDELINES AND SUPPLEMENTAL GUIDELINES FOR THE PORT AUTHORITY TECHNOLOGY SERVICES DEPARTMENT

The Contractor and any subcontractors shall follow the Port Authority Technology Standard and Guidelines and the Supplemental Guidelines for the Port Authority Technology Services Department 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.

29. SUBMISSION TO JURISDICTION

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

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

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

30. APPLICABLE LAW

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 not 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 she 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 she participated therein, or by any prior decision of her 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 her satisfaction at such times and places, by such methods and such manner and sequence as she may require, and the Contract shall at all stages be subject to her inspection. The Contractor shall employ no equipment, materials, methods or men to which she objects, and shall remove no materials, equipment or other facilities from the Authority site without permission. Upon request, she 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 her satisfaction or subject to her 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 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 support requests related to audits of the agreement 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 control, collect, dispense, contain, manage, administer, or monitor revenue "owned" by the Port Authority.

The Authority reserves the right to use as required and load security and system software to evaluate the level of security and vulnerabilities in any applicable environment-covered under this Contract. If such right is exercised, then both parties shall work in good faith to ensure there is no access or potential access to third party proprietary data within the applicable environment or access to other systems not covered under this Contract.

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 Agreement, amounts for which it has been compensated, or claims he should be compensated, by The Authority above those included in the lump sum compensation set forth elsewhere herein. All Contractor records shall be kept in the Port District. 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.

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

The Contractor 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. 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.

36. 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.

37. 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.

38. CONTRACTOR'S INTEGRITY PROVISIONS

1. Certification of No Investigation (criminal or civil anti-trust), Indictment, Conviction, Debarment, Suspension, Disqualification and Disclosure of Other Information

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

- a. been indicted or convicted in any jurisdiction;
- b. been suspended, debarred, found not responsible or otherwise disqualified from entering into any contract with any governmental agency or been denied a government contract for failure

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

2. Non-Collusive Bidding, and Code of Ethics Certification, Certification of No Solicitation Based On Commission, Percentage, Brokerage, Contingent or Other Fees

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

- a. the prices in its bid have been arrived at independently without collusion, consultation, communication or agreement for the purpose of restricting competition, as to any matter relating to such prices with any other bidder or with any competitor;
- b. the prices quoted in its bid have not been and will not be knowingly disclosed directly or indirectly by the Bidder prior to the official opening of such bid to any other bidder or to any competitor;
- c. no attempt has been made and none will be made by the Bidder to induce any other person, partnership or corporation to submit or not to submit a bid for the purpose of restricting competition;
- d. this organization has not made any offers or agreements or taken any other action with respect to any Authority employee or former employee or immediate family member of either which would constitute a breach of ethical standards under the Code of Ethics dated March 11, 2014, or as may be revised, (a copy of which is available upon request) nor does this organization have any knowledge of any act on the part of an Authority employee or former Authority employee relating either directly or indirectly to this organization which constitutes a breach of the ethical standards set forth in said Code;
- e. no person or selling agency other than a bona fide employee or bona fide established commercial or selling agency maintained by the Bidder for the purpose of securing business, has been employed or retained by the Bidder to solicit or secure this Contract on the understanding that a commission, percentage, brokerage, contingent, or other fee would be paid to such person or selling agency; and
- f. the Bidder has not offered, promised or given, demanded or accepted, any undue advantage, directly or indirectly, to or from a public official or employee, political candidate, party or party

official, or any private sector employee (including a person who directs or works for a private sector enterprise in any capacity), in order to obtain, retain, or direct business or to secure any other improper advantage in connection with this Contract.

- g. no person or organization has been retained, employed or designated on behalf of the Bidder to impact any Port Authority determination 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 in 38 (1) and 38 (2) above, shall be deemed to have been made by the Bidder as follows:

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

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

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

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

Notwithstanding that the Bidder may be able to make the foregoing certifications at the time the bid is submitted, the Bidder shall immediately notify the Authority in writing during the period of irrevocability of bids and the term of the Contract, if Bidder is awarded the Contract, of any change of circumstances which might under this clause make it unable to make the foregoing certifications, might render any portion of the certifications previously made invalid, or require disclosure. The foregoing certifications or signed statement shall be deemed to have been made by the Bidder with full knowledge that they would become a part of the records of the Authority and that the Authority will rely on their truth and accuracy in awarding and continuing this Contract. In the event that the Authority should determine at any time prior or subsequent to the award of this Contract that the Bidder has falsely certified as to any material item in the foregoing certifications, has failed to immediately notify the Port Authority of any change in circumstances which might make it unable to make the foregoing certifications, might render any portion of the certifications previously made invalid, or require disclosure, or has willfully or fraudulently furnished a signed statement which is false in any material respect, or has not fully and accurately represented any circumstance with

respect to any item in the foregoing certifications required to be disclosed, the Authority may determine that the Bidder is not a responsible Bidder with respect to its bid on the Contract or with respect to future bids on Authority contracts and may exercise such other remedies as are provided to it by the Contract with respect to these matters. In addition, Bidders are advised that knowingly providing a false certification or statement pursuant hereto may be the basis for prosecution for offering a false instrument for filing (see e.g. New York Penal Law, Section 175.30 et seq.). Bidders are also advised that the inability to make such certification will not in and of itself disqualify a Bidder, and that in each instance the Authority will evaluate the reasons therefor provided by the Bidder. Under certain circumstances the Bidder may be required as a condition of Contract award to enter into a Monitoring Agreement under which it will be required to take certain specified actions, including compensating an independent Monitor to be selected by the Port Authority, said Monitor to be charged with, among other things, auditing the actions of the Bidder to determine whether its business practices and relationships indicate a level of integrity sufficient to permit it to continue business with the Port Authority.

3. Bidder Eligibility for Award of Contracts - Determination by an Agency of the State of New York or New Jersey Concerning Eligibility to Receive Public Contracts

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

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

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

4. Contractor Responsibility, Suspension of Work and Termination

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

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

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

5. No Gifts, Gratuities, Offers of Employment, Etc.

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

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

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

In addition, during the term of this Contract, the Contractor shall not make an offer of employment or use ~~confidential information in a manner proscribed by the Code of Ethics and Financial Disclosure dated March 11, 2014, or as may be revised (a copy of which is available upon request to the Office of the Secretary of the Port Authority).~~

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

6. Conflict of Interest

During the term of this Contract, the Contractor shall not participate in any way in the preparation, negotiation or award of any contract (other than a contract for its own services to the Authority) to which it is contemplated the Port Authority may become a party, or participate in any way in the review or resolution of a claim in connection with such a contract if the Contractor has a substantial financial interest in the contractor or potential contractor of the Port Authority or if the Contractor has an arrangement for future employment or for any other business relationship with said contractor or potential contractor, nor shall the Contractor at any time take any other action which might be viewed as or give the appearance of conflict of interest on its part. If the possibility of such an arrangement for future employment or for another business arrangement has been or is the subject of a previous or current discussion, or if the Contractor has reason to believe such an arrangement may be the subject of future discussion, or if the Contractor has any financial interest, substantial or not, in a contractor or potential contractor of the Authority, and the Contractor's participation in the preparation, negotiation or award of any contract with such a contractor or the review or resolution of a claim in connection with such a contract is contemplated or if the Contractor has reason to believe that any other situation exists which might be viewed as or give the appearance of a conflict of

interest, the Contractor shall immediately inform the Chief Procurement Officer in writing of such situation giving the full details thereof. Unless the Contractor receives the specific written approval of the Chief Procurement Officer, the Contractor shall not take the contemplated action which might be viewed as or give the appearance of a conflict of interest. The Chief Procurement Officer may require the Contractor to submit a mitigation plan addressing and mitigating any disclosed or undisclosed conflict, which is subject to the approval of the Chief Procurement Officer and shall become a requirement, as though fully set forth in this Contract. In the event the Chief Procurement Officer shall determine that the performance by the Contractor of a portion of its Services under this Agreement is precluded by the provisions of this numbered paragraph, or a portion of the Contractor's said Services is determined by the Chief Procurement Officer to be no longer appropriate because of such preclusion, then the Chief Procurement Officer shall have full authority on behalf of both parties to order that such portion of the Contractor's Services not be performed by the Contractor, reserving the right, however, to have the Services performed by others and any lump sum compensation payable hereunder which is applicable to the deleted work shall be equitably adjusted by the parties. The Contractor's execution of this document shall constitute a representation by the Contractor that at the time of such execution the Contractor knows of no circumstances, present or anticipated, which come within the provisions of this paragraph or which might otherwise be viewed as or give the appearance of a conflict of interest on the Contractor's part. The Contractor acknowledges that the Authority may preclude it from involvement in certain disposition/privatization initiatives or transactions that result from the findings of its evaluations hereunder or from participation in any contract, which results, directly or indirectly, from the Services provided by the Contractor hereunder. The Port Authority's determination regarding any questions of conflict of interest shall be final.

7. Definitions

As used in this Section 38, the following terms shall mean:

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

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

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

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

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

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; except and until the Contract has been awarded, then it shall mean Contractor

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.

39. CONFIDENTIAL INFORMATION/NON-PUBLICATION

A. As used herein, confidential information shall mean all information disclosed to the Contractor or the personnel provided by the Contractor hereunder which relates to the Authority's 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 November 14, 2013)*, Protected Information, Confidential Proprietary Information, Confidential Privileged Information and information that is labeled, marked or otherwise identified by or on behalf of the Authority so as to reasonably connote that such information is confidential, privileged, sensitive or proprietary in nature. Confidential Information shall also include all work product that contains or is derived from any of the foregoing, whether in whole or in part, regardless of whether prepared by the Authority or a third-party or when the Authority receives such information from others and agrees to treat such information as Confidential.

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

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

40. 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.

41. 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.

42. 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.

43. 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.

44. 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.~~

45. DISADVANTAGED BUSINESS PROGRAM (DBE)

This Contract is subject to the United States Department of Transportation (USDOT) regulations on Disadvantaged Business Enterprises (DBEs) contained in Part 26 of Title 49 of the Code of Federal Regulations.

The following goal for DBE participation has been set for this Contract:

0 % for firms owned and controlled by socially and economically disadvantaged individuals¹ and certified as DBE's by the Authority. Eligible DBE firms are listed on the following Uniform Certification Programs (UCPs) websites:

New York UCP – <http://www.nysucp.net/>

New Jersey UCP – <http://www.njucp.net/>

¹ Individuals who are rebuttably presumed to be socially and economically disadvantaged include women, Blacks, Hispanics, Native Americans, Asian-Pacific Americans, and Asian-Indian Americans. A bidder may meet the DBE goal by using any combination of disadvantaged businesses.

By bidding on this Contract, the bidder assures the Authority that it will meet the foregoing goal and shall submit the DBE Goals Statement form (Appendix A1) with his Proposal. If the bidder determines it cannot make this assurance, it may nevertheless submit a bid but in such event, it shall note on the DBE Goals Statement form the percentage of DBE participation it anticipates, including documentation supporting the good faith efforts made to achieve the goals set forth in the Contract.

The bidder shall submit, with his Proposal, the DBE Participation Plan and Affirmation Statement (Appendix A2) for each DBE firm he intends to use on this Contract. The DBE Participation Plan and Affirmation Statement shall provide the name and address of each DBE firm, a description of the work to be performed, the dollar value of each DBE subcontract and the signature affirmation from each DBE firm participating in this Contract.

The bidder shall submit with his Proposal the completed Information on Solicited Firms form (Appendix A3), listing every firm that provided a quotation to the bidder for any subcontract to be performed under this Contract, whether the firms are DBE certified and whether the firms' quotes were included in the final Proposal.

Bidders who are utilizing trucking firms to meet their DBE goal are directed to complete the "Pre-Award DBE Trucking Commitment Form" (Appendix A4) and submit the form with their Proposals for each DBE used on this Contract.

Bidders who are utilizing materials suppliers to meet their DBE goal are directed to complete the "DBE Regular Dealer Verification Form" (Appendix A5) and submit the form with their Proposals for each DBE used on this Contract.

A bidder who fails to meet the DBE goal for this Contract, and fails to demonstrate to the Authority that the bidder has made good faith efforts to meet same, shall not be eligible to be awarded the Contract. DBE good faith efforts shall include, but are not limited to:

- ~~A. Attendance at a pre-bid meeting, if any, scheduled by the Authority to inform DBEs of subcontracting opportunities under this solicitation;~~
- B. Advertisement in general circulation media, trade association publications, and minority-focused media for at least 20 days before bids or proposals are due. If 20 days are not available, publication for a shorter reasonable time is acceptable;
- C. Written notification to DBEs that their interest in the Contract is solicited;
- D. Efforts made to select portions of the Work proposed to be performed by DBEs in order to increase the likelihood of achieving the stated goal;
- E. Efforts to negotiate with DBEs for specific subcontracts including, at a minimum:
 - The names, addresses, and telephone numbers of DBEs that were contacted;
 - A description of the information provided to DBEs regarding the Contract Drawings and Specifications for portions of the Work to be performed; and
 - A statement of why additional agreements with DBEs were not reached.
- F. Information concerning each DBE the bidder contacted but rejected as unqualified, and the reasons for the bidder's rejection;
- G. Efforts made to assist the DBEs contacted that need assistance in obtaining bonding or insurance required by the bidder or Authority.

DBE Conditions of Participation

DBE participation for a subcontractor will be counted toward meeting the DBE Contract goal, subject to all of the following conditions:

- A. **Commercially Useful Function.** A DBE is considered to perform a commercially useful function when it is responsible for the execution of a distinct element of work on a contract and carries out its responsibilities by actually performing, managing and supervising the work involved in accordance with normal industry practice. Regardless of whether an arrangement between the Contractor and the DBE represents standard industry practice, if the arrangement erodes the ownership, control or independence of the DBE or in any other way does not meet the commercially useful function requirement, that firm shall not be included in determining whether the DBE goal is met and shall not be included in DBE reports. If this occurs with respect to a firm identified as a DBE, the Contractor shall receive no credit toward the DBE goal and may be required to backfill the participation. A DBE does not perform a commercially useful function if its role is limited to that of an extra participant in a transaction or contract through which funds are passed in order to obtain the appearance of DBE participation. A DBE may rebut a determination by the Authority that the DBE is not performing a commercially useful function to the United States Department of Transportation (USDOT) funding agency (FAA, FTA or FHWA).
- B. **Work Force.** The DBE must employ a work force (including administrative and clerical staff) separate and apart from that employed by the Contractor, other subcontractors or their affiliates. This does not preclude the employment by the DBE of an individual that has been previously employed by another firm involved in the Contract, provided that the individual was independently recruited by the DBE in accordance with customary industry practice. The routine transfer of work crews from another employer to the DBE shall not be allowed.
- C. **Supervision.** All Work performed by the DBE must be controlled and supervised by the DBE without duplication of supervisory personnel from the Contractor, their affiliates and other subcontractors performing Work on the Contract. This does not preclude routine communication between the supervisory personnel of the DBE and other supervisors necessary to coordinate the Work.
- D. **Equipment.** DBE subcontractors may supplement their equipment by renting or leasing additional equipment in accordance with customary industry practice. If the DBE obtains equipment from the Contractor, other contractors or their affiliates, the DBE shall provide documentation to the Authority demonstrating that similar equipment and terms could not be obtained at a lower cost from other customary sources of equipment. The required documentation shall include copies of the rental or leasing agreements, and the names, addresses, and terms quoted by other sources of equipment.

Counting DBE Participation

When a certified DBE firm is awarded the Contract, the DBE goals shall be deemed to have been met.

The value of the Work performed by a DBE, including that of a DBE prime contractor, with its own equipment, with its own forces, and under its own supervision, will be counted toward the DBE goal, provided the utilization is a commercially useful function. Work performed by DBEs will be counted as set forth below. If the Authority determines that some or all of the DBE's work does not constitute a

commercially useful function, only the portion of the work considered to be a commercially useful function will be credited toward the DBE goal.

- A. **Subcontractors.** 100 percent of the value of the Work to be performed by a DBE subcontractor will be counted toward the DBE goal. The value of such Work includes the cost of materials and supplies purchased by the DBE, except the cost of supplies or equipment leased from the Contractor, other subcontractors or their affiliates will not be counted. When a DBE subcontracts part of the work of its contract to another firm, the value of the subcontracted work may be counted toward DBE goals only if the DBE's subcontractor is itself a DBE. Work that a DBE subcontracts to a non-DBE firm does not count toward DBE goals.
- B. **Manufacturers/Fabricators.** 100 percent of the expenditure to a DBE manufacturer or fabricator will be counted towards the DBE goal.
- C. **Material Suppliers.** 60 percent of the expenditure to a DBE material supplier will be counted toward the DBE goal. Packagers, brokers, manufacturer's representatives, or other persons who arrange or expedite transactions are not material suppliers within the meaning of this paragraph.
- D. **Brokers/Manufacturer's Representatives.** 100 percent of fees or commissions charged for assistance in the procurement of the materials and supplies, or fees for transportation charges for the delivery of materials or supplies provided by a DBE broker/manufacturer's representative will be counted toward the DBE goal, provided they are determined by the Authority to be reasonable and not excessive as compared with fees customarily allowed for similar services. The cost of the materials and supplies themselves will not be counted.
- E. **Services.** 100 percent of fees or commissions charged by a DBE for providing a bona fide service, such as professional, technical, consultant, or managerial services, or for providing bonds or insurance specifically required for the performance of the Work will be counted toward the DBE goal, provided the fee is reasonable and not excessive as compared with fees customarily allowed for similar services.
- F. **Trucking Operations.** The DBE trucking firm of record is the firm that is listed on the DBE Participation Plan. The DBE trucking firm shall own and operate at least one registered, insured and fully operational truck used for the performance of the Work and shall be responsible for the management and supervision of the entire trucking operation on a particular contract, and there cannot be a contrived arrangement for the purpose of meeting the DBE goal. The DBE trucking firm of record shall control the day-to-day DBE trucking operations for performance of the Work, and shall be responsible for (1) negotiating and executing rental/leasing agreements; (2) hiring and terminating the work force; (3) coordinating the daily trucking needs with the Contractor; and (4) scheduling and dispatching trucks.
 - 1. **DBE Owned/Leased Trucks.** 100% of the value of the trucking operations the DBE provides for the performance of the work using trucks it owns and trucks that are registered, insured and operated by the DBE using drivers it employs, will be counted toward the DBE goal.
 - 2. **DBE Leased Trucks.** The DBE may lease trucks from another DBE, including an owner/operator who is certified as a DBE. 100% of the value of the trucking operations that the lessee DBE provides will be counted toward the DBE goal.

3. Non-DBE Trucks. The DBE may lease trucks from non-DBE firms and owner-operators. The value of these trucking services will be counted toward the DBE goal up to the value of services performed by the DBE trucks used on the Contract. DBE participation can be counted for the value of the services of non-DBE trucks that exceed the value of the services performed by DBE trucks only in the amount of the fee or commission a DBE receives as a result of the lease agreement.

G. Joint Venture. Joint ventures between DBEs and non-DBEs will be counted toward the DBE goal in proportion to the total dollar value of the Contract equal to the distinct, clearly defined portion of the Work of the Contract that the DBE performs with its own forces. The joint venture agreement is subject to approval by the Authority's Office of Business Diversity and Civil Rights (OBDCR), a copy of which is to be furnished by the firm to be awarded the Contract before execution of the Contract.

46. TRASH REMOVAL

The Contractor shall remove daily from the Facility by means provided by the Contractor all garbage, debris and other waste material (solid or liquid) arising out of or in connection with its operations hereunder, and any such garbage, debris and other waste material not immediately removed shall be temporarily stored in a clear and sanitary condition, approved by the Manager of the Facility, and shall be kept covered except when filling or emptying them. The Contractor shall exercise care in removing such garbage, debris and other waste materials from the Facility. The manner of such storage and removal shall always be subject in all respects to the continual approval of the Port Authority. No equipment or facilities of the Port Authority shall be used in such removal unless with its prior consent in writing. No such garbage, debris or other waste materials shall be or be permitted to be thrown, discharged or disposed into or upon the waters at or bounding the Facility.

47. ENTIRE AGREEMENT

This Contract including the Request for Proposals for # 41681 (including its Scope of Work and other attachments, endorsements and exhibits, if any,) as well as the Proposal submitted by the Contractor contains the entire agreement between the parties. In the event of any inconsistency between this Contract and other attachments, endorsements and exhibits, if any, including the Proposal submitted by the Contractor, this Contract shall be controlling.

ATTACHMENT C: CONTRACT SPECIFIC TERMS AND CONDITIONS

1. GENERAL AGREEMENT

Subject to all of the terms and conditions of this Contract, the Contractor hereby offers and agrees to provide all the necessary labor, supervision, personnel, equipment, materials and all other things necessary to perform the work required by this Contract, as set forth in the Scope of Work (Attachment D) ("Work" or "Services"), and do all other things necessary or proper therefor or incidental thereto, all in strict accordance with the provisions of the Contract and any future changes therein; and the Contractor further agrees to assume and perform all other duties and obligations imposed upon it by this Contract.

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

2. DURATION

This Contract shall commence upon complete execution of an award letter issued by the Authority and shall remain in effect for a period of three (3) years (hereinafter the "Base Term"), unless otherwise terminated in accordance with the provisions hereof. The Authority shall have the right to extend this Contract for up to two (2) additional two-year periods, upon the same terms and conditions, by written notice to the Contractor at least thirty (30) days prior to the expiration of the Base Term or the expiration of the Option Period, if applicable.

The Authority shall also have the right to extend this Contract for an additional 120 day period, from the date originally fixed for expiration of the Base Term or any option period then 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.

3. PAYMENT

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 its proposal, as accepted by the Port Authority, 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 Port Authority 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 as they appear in the Contractor's proposal, as accepted by the Authority, as same may have been adjusted hereunder, minus any deductions for services not performed and/or any applicable liquidated damages. All Services must be completed within the time frames specified or as designated by the Port Authority. For all services, 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.

4. INCREASE AND DECREASE IN AREAS OR FREQUENCIES

The Port Authority shall have the right, at any time and from time to time in its sole discretion, to increase and/or decrease the services required hereunder, frequencies of all or any part of the services required hereunder or to add areas not described herein in the Scope of Work or remove areas or parts of areas which are hereunder so described. ~~In the event the Port Authority decides to change any frequencies or areas such~~ change shall be by written notice not less than 24 hours, said changes to be effective upon the date specified in said notice.

In the event of an increase or decrease in services, areas or frequencies, the Contractor's compensation will be adjusted to reflect such change in areas or frequencies utilizing the applicable hourly rates for such services as set forth on the Authority-accepted proposal from the Contractor.

Where no specific Unit Price has been quoted for the type of services to be increased or decreased, the Port Authority shall have the right to negotiate the compensation to reflect such change, whether an increase or decrease in areas or frequencies, which, in the opinion of the Authority, are necessary to complete the work, by multiplying the increased or decreased amount by the negotiated rate.

In the event of a decrease in services, the Contractor shall not be entitled to compensation for Work not performed.

No such changes in areas or frequencies will be implemented which results in a total increase or decrease in compensation that is greater than 50% of the Total Estimated Contract Price for the Base Term or, if changes are to be implemented during an Option Period, 50% for that Option Period.

6. EXTRA WORK

Except as specifically hereinafter provided in this numbered clause, the Contractor shall immediately supply such modified or additional products and services as the Authority may direct ("Extra Work"). If such changes or additions are without fault on its 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 its 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 it to compensation in addition to that provided for elsewhere herein, it 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 its 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 6% 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.

7. 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, compensation equal to the applicable hourly rates set forth in Sections D, G, and J of the Cost proposal, as accepted by the Authority;
- B. the actual net cost in money of the materials required for the work; and
- 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.

8. 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/her authorized representative at the end of each day 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.

9. 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.

10. BACKGROUND QUALIFICATION QUESTIONNAIRE (BQQ)

The Contractor shall have submitted a completed Background Qualification Questionnaire (BQQ), required for itself and all subcontractors and vendors known to the Contractor prior to the submission of its proposal to RFP 41681 . This document and instructions for submitting the completed BQQ to the Authority's Office of Inspector General can be obtained at the Authority's website through the following link:

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

11. CONTRACTOR STAFF BACKGROUND SCREENING

The Contractor 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. 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.

ATTACHMENT D: SCOPE OF WORK

1. General Requirements:

The Contractor shall furnish an on-premise Enterprise Risk Management (ERM)/Governance Risk Compliance (GRC) software solution (System) to support the tracking, measurement, management, and reporting of enterprise risks. For the purposes of this Scope of Work (SOW), "enterprise risk" shall be defined as anything that can affect the Port Authority's ability to achieve its business objectives, including, but not limited to, the protection of its organization assets (i.e. systems and information).

The Authority shall use the System to help assess enterprise risk quantitatively and qualitatively. In addition to the broad array of risk (financial, legal, operational, etc.) for measurement in the System, the Authority will use the System to help manage its cyber-security program. Using the System, the Authority will execute and oversee activities necessary to protect organizational assets according to a risk management framework (RMF). Furthermore, the System's continuous monitoring capabilities will permit the Authority to easily determine if security controls are implemented and operating as intended, and to rank IT-related assets according to security risk.

For informational purposes only, the Authority has adopted the National Institute of Standards and Technology (NIST) RMF and NIST 800-53 security controls as the basis for its cyber-security activities. Moreover, the Authority is required to protect its information technology (IT) and industrial control system (ICS) assets according to statutory and regulatory requirements, including, but not limited to, the following:

- Federal Information Security Management Act;
- Health Insurance Portability and Accountability Act;
- Payment Card Industry;
- Personal Identifiable Information;
- Transportation Security Administration / Federal Aviation Authority;
- United States (US) Coast Guard;
- Department of Transportation;
- National Electric Code;
- National Fire Prevention Association/NEPA;
- Underwriters Laboratory;
- Federal Rail Road Administration;
- Industrial Control Systems Cyber Emergency Readiness Team (CERT);
- US CERT; and
- Federal Information Security Management Act.

In addition, the Port Authority's ERM program follows the Risk and Insurance Management Society's (RIMS) Risk Maturity Model (RMM), which incorporates the following risk management standards and guidelines:

- ISO 31000: 2009
- OCEG "Red Book" 2.0: 2009
- BS 31100: 2008
- COSO: 2004
- FERMA: 2002
- SOLVENCY II: 2012

At minimum, the System shall:

- A. Be configurable to meet the enterprise risk, threat, and vulnerability management requirements of the Authority.
- B. Require no or little customization to satisfy the requirements specified herein.
- C. Provide comprehensive System documentation and User Guides.
- D. Be able to store content in an hierarchical structure and permit sharing of information across the Authority.
- E. Contain user audit trails to monitor the activity of users.
- F. Be able to align the Authority's approach to risk management with its business strategy.
- G. Have the capability to map business objectives to organization, processes, controls and risks.
- H. Be able to incorporate and track the development and review of Authority Policies and Procedures.
- I. Update and track the status of plans, objectives, actions, and milestones.
- J. Classify information as "confidential" and restrict access or permission to that information according to the Port Authority's Information Security Handbook.
- K. Be able to present configurable graphical dashboards.

With respect to cyber-security, the System shall permit users to:

- L. Track performance of certification and accreditation activities related to organizational assets.
- M. Establish / review and approve agreements governing the interactions between information technology (IT)-related systems.
- N. Update security authorizations to change IT-related assets.
- O. Track performance of specific cyber-security activities for compliance.
- P. Document IT-related asset categorizations (e.g., high, medium, low risk).
- Q. Manage activities related to scanning IT-related assets and approving assessment findings (including exceptions and mitigation activities).
- R. Review and approve IT-related information flow patterns.
- S. Document participation in training to ensure compliance with training requirements.
- T. Develop, test and review cyber-security plans.
- U. Review account accesses.

- V. Review physical access authorizations and logs.
 - W. Inventory physical security devices and change locks, codes, and combinations.
 - X. Review security controls of external service providers.
 - Y. Review and automate contingency and disaster recovery plans that enable crisis management.
 - Z. Be able to track all critical cyber-security practices.
2. Access Control and Permissions Requirements. The System shall:
- A. Have the ability to grant permissions to users and/or groups of users at differing levels, including privileged users (Read, Write, Modify, Delete, Administer, etc). The privileged users will be responsible for adding organizations, facilities, and IT-related assets to the System, with users (e.g. individual stakeholders, departments, facilities, etc.) in different roles and varying permissions.
 - B. Provide System Administrators with the capability to edit the permissions of all users.
 - C. Provide System Administrators with the capability to view, modify, and delete all data entered into the System.
 - D. Provide System Administrators with the capability to disable the login of users.
 - E. Accommodate 350+ concurrent users, including 5-10 administrators, 100 frequent / "power" users, and an additional 200 infrequent users, with capacity to accommodate user growth.
 - F. Have the ability to support all infrastructure (operating system, database, application, etc.) and related services.
3. Enterprise Risk Management Requirements. The System shall:
- A. Have the ability to identify and assess the most significant risks to achieving strategic objectives.
 - B. Have the ability to record qualitative and quantitative risk assessments based on three configurable rating criteria.
 - C. Have the ability to document risk mitigation control activities and their relationship to identified risks.
 - D. Have the ability to upload existing risk registries and other sources via spreadsheets (e.g. MS Excel).
 - E. Have the ability to aggregate risk information across the organization and drill down into specific risks.
 - F. Be able to calculate inherent and residual risk.
 - G. Have the ability to relate risks to strategic objectives and associated performance indicators.
 - H. Have the ability to populate a risk library for all users to access and System Administrators to modify.

- I. Have the ability to document strategic objectives and associated performance indicators and metrics.
 - J. Be configurable and allow for qualitative and quantitative documentation of performance metrics, tolerance levels, and outcomes.
 - K. Have the ability to link risks to performance metrics at different enterprise, department, and business unit levels.
 - L. Have the ability to document regulatory requirements and compliance status with each requirement.
 - M. Have the ability to perform compliance gap analyses.
4. Threat and Vulnerability Management Requirements: With respect to cyber-security, the Port Authority shall use the System to determine whether the deployment and operation of the Port Authority's IT assets comply with the security controls (Security Controls) defined in Table D-2 of *NIST 800-53, Rev. 4* (<http://nvlpubs.nist.gov/nistpubs/SpecialPublications/NIST.SP.800-53r4.pdf>). At minimum, the System shall have the capability to enable the Port Authority to manage its cyber-security-related activities under the following categories:
- 1. Access Control;
 - 2. Awareness and Training;
 - 3. Audit and Accountability;
 - 4. Security Assessment and Authorization;
 - 5. Configuration Management;
 - 6. Contingency Planning;
 - 7. Identification and Authentication;
 - 8. Incident Response;
 - 9. Maintenance;
 - 10. Media Protection;
 - 11. Physical and Environmental Protection;
 - 12. Planning;
 - 13. Personnel Security;
 - 14. Risk Assessment;
 - 15. System and Services Acquisition;
 - 16. System and Communications Protection;
 - 17. System and Information Integrity; and
 - 18. Program Management.

Furthermore, the System shall have the capability to permit users to:

- A. Document the metrics for all cyber-security-related activities according to the Security Controls;
- B. Track the cyber-security-related activities for their compliance with the Security Controls;
- C. Support a business workflow for categorizing IT-related assets according to their criticality. Such categorization will be based on *NIST 800-60, Volumes 1* (http://csrc.nist.gov/publications/nistpubs/800-60-rev1/SP800-60_Vol1-Rev1.pdf) and 2 (http://csrc.nist.gov/publications/nistpubs/800-60-rev1/SP800-60_Vol2-Rev1.pdf).

5. Reporting Requirements. The System shall:

- A. Have the ability to export customizable ad hoc reports at any given time.
- B. Have reporting capabilities that will allow identified users to view enterprise reports conveying an overview of risk posture at any given time.
- C. Have the ability to report summary data at any level in the hierarchical model.
- D. Have the ability to export reports into PDF files and /or MS Office files.
- E. Have the ability to automatically generate visual reports, charts, and/or dashboards without any coding or report writing skills.
- F. Have the ability to produce dashboards showing the relationship between risk and performance.
- G. Have the ability to create a risk summary report with a description of the risk, its current status, trends, how it is being managed, and monitored.
- H. Have the ability to show trends and change in risk and performance over time.
- I. Have the ability to produce a single report that includes all findings of assessments of the vulnerabilities of selected applications in use at the Port Authority.
- J. Have the ability to categorize information according to criteria defined in the implementation of the System. Categories shall include, at minimum, the following: certification and accreditation activities; policies and procedures; controls for data exchange; the status of certain cyber-security-related plans and activities; the status of authorizations for access to selected application; the status to identify systems according to their criticality; the status of changes to risk management strategies; the status of the review of applications and their compliance with policies, procedures, and controls; and the status of training-related activities.

6. Integration: The System shall be able to integrate with the applications identified in this section. This Scope of Work does not require the Contractor to integrate the System with the listed applications. Such integration will be sought under a separate solicitation.

- A. Alloy Asset Management. The System must allow for integration, which will accomplish, at minimum, the following tasks for viewing, assessing, and reporting information:
 - 1. Identifying relationships between IT-related assets and their implications;
 - 2. Showing online assessments for asset classifications (according to their criticality);
 - 3. Identifying business processes and procedures governing the use of specific IT-related assets;
 - 4. Determining where IT-related assets reside and the location of their operation and management;
 - 5. Categorizing IT-related assets by their functions and owners;
 - 6. Identifying the maintenance, control, and security information related to the IT-related assets;
 - 7. Identifying the contingency plan for the IT-related assets;
 - 8. Determining the boundaries of the IT-related assets, for certification- and accreditation-related purposes;

9. Determining the processes for change management and for new technology deployment.
- B. A software product (either Nessus Vulnerability Scanner or Lumension or McAfee EPO Architecture) that performs IT-related vulnerability and configuration scans. The System must allow for integration, which will
1. Permit the Authority to manage the entire vulnerability lifecycle of IT-related assets, from detection to reporting.
 2. Provide the ability to understand IT-related asset configuration baselines and any changes and interdependencies that could negatively impact the environment for remediation.
 3. Provide the ability to determine the precise number of failed configuration checks across the agency.
 4. Provide the ability to determine the number of vulnerabilities, missing patches, or out-of-date antivirus definitions.
 5. Provide for the incorporation of the results of automated vulnerability and configuration audit scans with the manual/interactive assessment of controls to reduce the level of effort to provide comprehensive assessment of IT-related assets.
 6. Permit the efficient merging and reconciliation of assessment information for the production of a single report that includes the findings for all security controls, those assessed using automated and manual checks.
 7. Extract information to assess the compliance with policies and procedures governing the use of technology in the agency.
 8. Permit the interaction between Alloy Asset Management and the selected software product under this item B so that the appropriate scans are performed based on the IT-related asset's criticality.
- C. A software product (standard COTS) providing Security Information and Event Manager (SIEM) capabilities. The System must allow for integration, which will enable the Authority to receive alerts from the SIEM product to identify when changes are made to IT-related assets, which may trigger the remediation of a vulnerability or mis-configuration.
- D. A software product (standard COTS) that provides authoritative sources via Active Directory, and organizational structure via PeopleSoft. The System must allow for integration, which will permit the structuring of the relationship between IT-related asset users and their agency-related affiliations (departments, divisions) to create the organizational hierarchical structure. The goal is that when users are removed from PeopleSoft or Active Directory, they will no longer have access to the applications.

The System should also be able to integrate with the following application:

- E. Microsoft System Center Operations Manager.
7. Installation Requirements: Within 15 days of Contract execution, the Contractor shall provide the Port Authority with a detailed plan for installing the System.
 8. Acceptance Plan: Within 15 days of Contract execution, the Contractor shall provide the Port Authority with a detailed Acceptance Test Plan, for review and approval.

9. System Requirements:

A. Application Logging:

The System shall provide complete logging for the following types of System activity:

- Setup Log – This feature shall record all log in and log out activity by user, time and date and shall record event descriptions for each, including changes made to the System setup or configuration, retaining before and after values.
- System Activity Log – This feature shall record all events in the System. It shall include the user name, type of activity, time and date, requested changes and impacted equipment.
- Fault Log – This feature shall log all System faults. It shall include type and location of fault, time and date of fault, time and date of restoration and any applicable information related to the repair.

B. Redundancy:

The application server, and separate database server, if used, shall be redundant and configured to provide for continuous operation of the System even in the event of the failure of any single System component. Redundant operation shall include, but not be limited to all central computer system components that are used to fulfill the requirements of the Contract.

C. Virtual Environment:

The software shall be capable of operating using the latest version of VMware 5.x or later.

D. Fail-Safe Operation:

The System shall be designed to fail to a degraded operations level without adversely affecting the operation of the System. ~~Ultimately, upon a total failure, the System shall fail to a predefined safe state that terminates all communications to other subsystems.~~ During the transition to a fail-safe mode of operation, the System shall display an alarm to the operator at all user workstations. After transition is complete, the System shall identify to the operator the failed equipment or computer process.

E. General System Performance Requirements:

The System shall consist of readily available, proven hardware and software elements, which are fully consistent with the System's design and operation as specified. It shall have the throughput, capacity, and availability, as specified herein, to provide the required functionality. It shall meet the performance requirements identified herein and under the maximum loading when all System devices are engaged and performing their specified functions, with no loss of data or user control.

F. General Design Requirements:

The Contractor shall provide the latest version of the software and applicable software patches and updates. The System shall be compliant with the most current Standards and Guidelines for Port Authority Technology and industry best practices and Port Authority Audit Department's IT Control Checklist Guidelines at the time of the Acceptance Test.

G. Start Up:

The System shall automatically execute all site-specific configuration parameters required to start up and enter the operational mode of the application software upon System initialization.

H. State of Common Usage:

Software, database and communications protocols shall be in a "state of common usage," or industry-standard, and shall be an open architecture. Computer software shall consist of all System, application, and utility software required to meet the requirements of this Contract. All off-the-shelf software shall be industry standard. The Contractor shall submit the latest commercially available release/version of all software products in general use prior to System acceptance.

I. Graphical User Interface:

A user-friendly graphical user interface (GUI) shall be furnished that is ergonomically designed to facilitate user operation in an intuitive manner and to minimize operator actions for information retrieval and system operation. The user shall be able to invoke any action or command with no more than three mouse clicks and any additional required data.

The user interface shall be designed with streamlined business display screens to facilitate easy data entry and general viewing. Navigation tools/menus/keys shall be prominently displayed and provide consistent, easy movement within and between screens.

All control and reporting features shall have a logical hierarchical arrangement to engage the user through such features as pull-down menus, interactive graphics, dialog boxes, touch screens or other user-friendly means. The user interface shall prompt the operator with instructions or for additional information when user entry is required. The user interface shall not require the operator to memorize command sequences to perform operator controls. Context sensitive help or another form of on-line documentation for all functions and operations shall be provided.

All screen layouts shall be submitted for approval by the Authority's Contract Manager. The Contractor may request in writing for the Authority to provide any drawings or graphics of the project area reasonably required for use in developing system graphics.

J. Network Time Protocol and Time Synchronization:

Applications that require time and date synchronization shall query PAWANET to obtain the current time of day and date.

K. Shutdown:

The System shall be capable of being shutdown in an orderly fashion and in a fashion that causes no anomalies in other subsystem components or software applications and no loss of data. Other subsystem components shall report no multiple errors nor be unavailable for shutdown. Upon shutdown, the System shall automatically notify connected workstations that System shutdown is imminent.

Only privileged users shall have the capability of shutting down the System.

L. Change Management:

The application must be secured and all revision changes shall require prior Port Authority approval. All changes shall be tracked by the Contractor and implemented in accordance with the Authority's approved change management procedure.

10. Maintenance Requirements:

Maintenance begins with the Authority's operational acceptance of the System, as set forth in the approved Acceptance Plan. The Contractor shall prepare, subject to the Authority's approval, a Service Support Plan (SSP) that adheres to the requirements listed in this section, which describes the duties, obligations, and responsibilities of all parties during this stage. The SSP shall convey:

- All components of the application System provided by the Contractor. Both proprietary and third-party components shall be included;
- How the Contractor will provide System updates, enhancements, fixes, and all similar maintenance support activities to assure that the System remains in a current, updated state with respect to versions and releases, temporary fixes and on-going technical support.
- How the Contractor will implement major releases or modifications that may occur during the Authority's project. Any such major releases or modifications shall be furnished to the Authority without charge throughout the duration of the Work.
- How the Contractor will provide each of the Post-Implementation and Support service offerings, presenting not only the service offering but an operational perspective that illustrates the interaction of the Authority and the Contractor during service use, including (but not limited to) service activation, actions taken and resources supplied by the Contractor under the service, requirements and responsibilities of the Authority when using the service, and the means by which satisfactory completion of the service is measured.
- How the Contractor will provide the Authority with a reporting, tracking and escalation process to be used for identification and resolution of operational problems encountered during the duration of the Contract. Reported problems may be either System defects or operational queries by users, but in either case, the Contractor shall resolve reported problems in a timely manner and to Authority's satisfaction. The Contractor shall permanently correct reported problems. Where some time is required to determine a suitable permanent System, the Contractor shall provide effective temporary "work-arounds" that permit a reasonable circumvention of an operational problem. In the event of an emergency condition, the Authority may require dedicated assignment of Contractor personnel to establishing problem resolution; including having such personnel perform functions, including data recovery, on-site at Authority facilities for a license-based System.
- How the Contractor shall include updates to the System in its escrow program.

Upon operational acceptance of the System by the Authority, the Contractor shall provide on-going service to address software error corrections, software updates and new releases to the application software, and correction releases of third party software. This service shall include support for user questions and consultation as well as support for emergency recovery situations.

This service shall provide the Authority with regular software upgrades, enhancements, new releases and resolution of application defects. The upgrades shall pertain to all components of the application System provided by the Contractor, including third-party software and databases.

As a function of end-user support, the service shall further provide a mechanism for reporting and tracking the status of anomalous application operations, issues and questions that have been reported to the Contractor for resolution. The Contractor shall be responsible for providing both short-term "work-arounds" for reported conditions as well as longer term, permanent resolution. Inherent in the mechanisms shall be an escalation process for addressing long-standing, recurring or emergency situations. Should a reported anomaly, in the view of the Authority, cause serious disruption of business operations, then the Contractor shall be required, at the Authority's discretion, to provide dedicated resources to establish a priority framework for resolution.

Support shall include the following:

- Operational Support (8:00 AM to 5:00 PM EST);
- Maintain operational availability of the System;
- Schedule Preventive Maintenance;
- Remedial Maintenance;
- Training Classes; and
- Telephone support (8:00 AM to 5:00 PM EST).

The Contractor shall be responsible for providing all operating services related to the security, documenting, planning, updating, patching, enhancing and running of the System to ensure it remains operationally viable and meets all current best business and technical practices. The Contractor shall be responsible for obtaining and maintaining any needed third party service (or service provider) and for obtaining and maintaining technical support agreements with technology companies for sufficient technical support of their products. The Contractor shall also provide the telecommunications infrastructure equipment between the Contractor infrastructure and user base, as required.

Change Management Administration:

The Contractor shall ensure that all changes to the System occur in a controlled manner.

The Contractor shall ensure that all System changes are properly authorized, tested and documented prior to implementation in the production environment, in accordance with a structured maintenance methodology accepted by the Authority. The Contractor shall maintain a general awareness of changes to the Authority's information infrastructure, and have appropriate backout/reversal procedures available as necessary.

The scope of the change management portion of the Change Management Services furnished shall include but not be limited to the activities identified below:

- Informing management of new software options for third party software

The Contractor shall maintain contact with the Authority Contract Manager to keep the Authority aware of software upgrades and fixes and hot packs, and deliver to the Authority a plan and schedule for recommended implementation of these upgrades and fixes and hot packs. The Contractor's structured maintenance methodology shall include the Authority's preference for applying these fixes in scheduled application fix "bundles".

The Authority will keep the Contractor aware of changes to its technical environment, which may affect the operation of the System provided hereunder.

- Establishing a segregated test and quality assurance environment

The Contractor shall maintain segregated test and quality assurance environment(s) insulated from the production environment for testing of all changes to software prior to introduction to the production environment.

- Establish a training environment

The Contractor shall establish and maintain a segregated training environment on which the Authority may conduct training.

- Controlling software migrations

The Contractor shall establish and enforce procedures to ensure that only approved changes are implemented by implementing the following requirements and actions:

- Approved modification request forms have been received for all changes to be made to software;
- Access controls prevent more than one retrieval of a module for modification;
- Multiple changes to the same module are coordinated;
- There is synchronization of changes so that all modules affected by a modification to a data element or other factors are changed simultaneously;
- Migration of modules is controlled through the approved test and implementation cycle;
- New application versions are thoroughly tested prior to use on the production System;
- ~~New application versions are thoroughly documented, in accordance with, at a minimum,~~
- Authority standards;
- All changes are coordinated with affected areas including any interfaced Systems.
- The Contractor's implementation of release upgrades shall be scheduled to minimize downtime.

- 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 bed of transactions and known results to verify the integrity of new software releases. The test bed shall be updated to include test data for all new conditions arising out of maintenance or enhancement of the System.

- Coaching and User Assistance

The Contractor shall provide technical and second level end-user support to the System users, be the focal point for troubleshooting maintenance problems, provide technical support to user department staff at internal/external meetings and train Authority personnel on the application. The scope of the training portion of the application support 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 trainers when application System enhancements warrant such training to ensure they are trained in the proper procedures associated with the System and can function effectively after training.

A. Providing User Assistance

The Contractor shall serve as a resource for Authority staff as related to application System functionality. This includes:

- Providing technical support to Authority staff and/or Authority Contractor's relative to the applications support;
- Researching and taking corrective action on reported software malfunctions;
- Participating in internal and external audits; and
- Performing other support activities as may be assigned (e.g., visit/review similar Systems, interview potential service providers, etc.)

B. Application Maintenance Services (AMS)

~~At the direction of the Authority, the Contractor shall provide trained application level resources knowledgeable in the Authority's implementation that will perform application enhancements, reporting modifications or creation, or any other such application services as required by the Authority. Understanding that the required services are hard to quantify in advance, the Contractor shall be compensated for major enhancements, as defined cooperatively by the Authority and the Contractor, separately, using the hourly rates provided for Enhancements herein (in Sections C, E and G of the Contractor's Cost Proposal, as accepted by the Authority). The Contractor shall include with its monthly statements hours committed, and hours completed. No work for chargeable enhancements is to be performed, and no hours to be committed, without a signed (by Authority and Contractor) estimate that details the work, the deliverables, the proposed timeline and the estimated hours.~~

Unless otherwise agreed to in advance, the Contractor commits to providing the Authority complete estimates within five business days of receipt of AMS requests and further commits to starting work within five business days of signed authorization to proceed. This process is to be used for Enhancements.

11. Training Requirements:

The Contractor shall create and conduct a System Training Program that shall encompass hands-on classes for a select group of the user community (up to sixty users), with requisite training materials and user manuals that will cover main System functions and administration. The training shall be delivered either in-

person or virtually. The Contractor shall create and maintain the training database to be used as part of the training program.

Training shall be of a quality and depth sufficient to permit personnel to satisfactorily operate the System, and to train others in the operation of the System.

Training shall include classroom and hands-on instruction through the use of the actual application, with additional support through the use of manuals, diagrams, and actual work products of the System.

The Contractor shall assume no knowledge of the features of the application or application infrastructure on the part of the designated personnel, and shall design the training program to bring the level of student knowledge to one fully adequate for the objective. The program objective should be an employee who can satisfactorily operate the Software. The Contractor may assume that all personnel possess the basic qualifications of their positions. All courses of instruction shall be presented in the English language.

All training materials used in the training programs shall become the property of the Authority at the completion of the training program. The Contractor shall be responsible for the condition of these materials for the duration of the training program, and shall replace all damaged materials unless the damage results from the Authority's negligence. Lesson plans shall be updated as required during the course of instruction.

The Authority may choose to record the training sessions (by video, audio, or both) and shall have all rights to said recordings.

12. Service Levels and Liquidated Damages:

The Contractor's obligations for the performance of all Work at the service levels, as described herein, specified in this Contract are of the essence. The Contractor guarantees that it can and will complete performance under this Contract at the service levels stipulated herein.

The Contractor's obligations for the performance and completion of the work within the time or times provided for in this Contract are of the essence of this Contract. In the event that the Contractor fails to satisfactorily perform all or any part of the work required hereunder in accordance with the requirements set forth herein or in applicable Contract Documents (as such term is defined in the Base Contract) then, inasmuch as the damage and loss to the Port Authority for such failure to perform includes items of loss whose amount will be incapable or very difficult of accurate estimation, the damages to Port Authority shall be liquidated in the following amounts:

Service	Service Level	Liquidated Damage in event of non-compliance
ERM/GCR application availability, measured monthly	99.97 % availability for the System measured monthly, for an application that is fully operational 24 hours per day, 7 days per week	5% deduction on the calculated total monthly software maintenance payment if the availability falls below 99.97% Additional 5% deduction on the calculated total monthly software maintenance payments for every 1% loss of availability below 99.97% average availability.
Recovery of Service	Twelve-hour recovery time (from notice) in the event the System is not fully available to the Authority	\$500 per hour or part thereof if the System does not meet the availability requirement
Maintaining confidentiality of data in the System	100% confidential	\$1,000 per breach of confidentiality
Four-hour response to problems, measured monthly	Minimum of 90% of calls responded to within four hours	2% of total monthly software maintenance payment for services if the 90% requirement is not fully met
Application of critical patches to System within 24 hours of release and non-critical security-related patches, fixes, and service packs within seven (7) business days of release. Criticality determined by software vendor and the Authority	Patches, fixes, and service packs deployed to the servers within specified timeframe	2% of the total monthly software maintenance payment for all services not installed/applied within the specified timeframe.
	100% confirmed deployment within 24 hours for critical patches and 7 business days for non-critical security-related patches, fixes, and service packs	5% of the total software maintenance monthly payment for all services not installed/applied within the specified timeframe.

Regular scheduled maintenance approved by the Authority is excluded from these calculations. Emergency maintenance which affects service availability (such as to correct problems in service) are considered unscheduled maintenance and therefore, measured as part of service availability, unless otherwise agreed to by the Authority.

Total liquidated damages for non-performance for the month shall not exceed the Contractor's compensation for that month.

Computation of online availability and resolution of calls refer specifically to work covered in this Contract that is the Contractor's responsibility. For example, time spent by the Port Authority and its contractors to repair hardware would not be included in the calculation of the Contractor's performance.

The Authority may consider continued failure to meet performance under this Contract at the levels stipulated as a material breach of this 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.

13. Payment Schedule for Installation: Payment to the Contractor shall be as follows:

Payment to the Contractor shall be as follows:

<u>Installation Milestone:</u>	<u>% of Overall Installation Amount</u>
• Authority approval of System Installation Plan	15%
• Completion of System Installation	25%
• Completion of System Configuration	15%
• Operational Acceptance by the Authority	30%
• Completion of Training and submission of all associated project documentation	15%

Note – As used above, “Completion” is defined as the Authority’s acceptance and approval of related deliverables, as defined in the approved Acceptance Test Plan.

The above percentages shall apply toward the total cost for Installation, as defined in Contractor’s Cost Proposal, as accepted by the Authority.

14. Management of the Work:

The Contractor shall manage its efforts in accordance to the following requirements:

A. Organization

The Contractor shall establish and maintain an organizational and operational structure appropriate to the work to be performed under this Contract. This shall include but not be limited to:

- Assigning an appropriate number of staff with requisite skills, acceptable to the Authority, for the tasks to be performed.
- Supplying direct supervision 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 illness, personal business or any other unanticipated absence of the assigned staff.

B. Labor Force

The Contractor shall furnish sufficiently trained management, supervisory, and technical personnel to perform the services required, with all such personnel subject to review and approval by the Authority. If any offered person 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 sole determination of Authority, 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 Authority determines is adverse to the public interest or to the best interest of the Authority, the

Contractor shall remove any such personnel from performing any further work under this Contract immediately, and replace them by personnel satisfactory to the Authority within two weeks, upon notice from the Authority.

C. Program Management - Appointment of Staff

The Contractor shall appoint member(s) of its organization to oversee the management of the work.

The Contractor shall assign a full time, technically proficient, experienced and fully qualified account manager (hereinafter referred to as the 'Engagement Manager'). The Authority requires, prior to approving the proposed person, the following:

- Notice of the proposed person for the assignment.
- Information (resume, background, history with the Contractor, etc.) regarding the proposed Engagement Manager.
- The Contractor shall arrange for the individual(s) to be available for Authority interview(s) at no cost to the Authority.
- The Engagement Manager is subject to approval by the Authority and subject to removal from performing any further work under this Contract at the Authority's sole discretion.

The Authority requires no less than sixty days prior notice of change of Engagement Manager and turnover of the position shall be limited to no more than once per twenty-four month interval.

D. Project Management Methodology

The Contractor shall put a project management methodology in place that addresses the Authority's requirements.

E. Status Meetings

The Contractor shall schedule and conduct regular status meetings with the Authority at an Authority selected site at least monthly until the Implementation Stage, at which point the meetings will occur at least weekly. At the sole discretion of the Authority, the frequency of meetings may be adjusted. The purpose of these meetings is generally but not exclusively limited to the following:

- Track the progress of development and implementation activities;
- Review the Contractor's deliverables;
- Review Contractor's invoices for services provided; and
- Resolve disputes.

The Contractor shall produce and deliver to the Authority, at least 24 hours prior to each status meeting, a project status report.

F. Security

Physical Access

The Contractor shall maintain a list of Contractor employees authorized to enter secured areas.

System Access

The Contractor shall maintain a list of Contractor employees authorized by the Authority Contract Manager to access the System.

The Authority will issue appropriate logon IDs for those persons authorized by the Authority Project Manager to have access (and only such persons), and will periodically reconcile the list of logon IDs to the authorized Contractor employee list.

The Contractor shall immediately notify the Authority's Contract Manager whenever authorized Contractor or vendor employees leave the firms or change responsibilities that remove them from active participation on the Project Team.

G. Quality Assurance

The Contractor shall establish and maintain a quality assurance program, which it shall utilize to assure that all work is performed in accordance with the Contract, including compliance with Information Services Standards, and at a level consistent with acceptable industry practices.

H. Training

The Contractor shall ensure that its employees assigned to this Contract maintain the appropriate knowledge, skills and abilities required to provide ongoing support for the System.

I. Right of First Refusal

The Authority has the right to approve or disapprove, at the Authority's sole discretion, and consistent with applicable law, with or without cause, any potential Contractor employee who would directly service the Authority account.

J. Right of Replacement

The Authority has the right to require the Contractor to replace any Contractor employee, assigned to the Authority Account.

K. Contractor Employee Minimum Skill Requirement

The Contractor shall require that each employee shall meet all minimum experience levels and qualifications as agreed to by the Authority for any potential Contractor employee who would be assigned to the Authority account.

ATTACHMENT E: COST PROPOSAL

A. 3-year Base Period: Software, Installation, etc.

Note: For the "Cost of Software," in the Assumptions Section below, the Proposer shall itemize the cost of the software by tiered pricing: administrators (XX); frequent/power users (XX), infrequent users (XX). Moreover, the Proposer shall indicate the per-unit cost for additional users, and identify any discounts per the number of users.

Category	Number of hours (if applicable)	Total Price
Cost of Software, based on 350 users	N/A	\$
Installation	_____ hours	\$
Required Configuration	_____ hours	\$
Acceptance Test	_____ hours	\$
Training	\$_____ per class X _____ of classes	\$
Total		\$

B. 3-year Base Period: Software Maintenance (patches, upgrades, etc.), payable only after operational acceptance of the System by the Port Authority.

Year	Monthly	Annual
One	\$_____	\$_____
Two	\$_____	\$_____
Three	\$_____	\$_____
Total		\$_____

C. 3-year Base Period: Hourly Rates for Enhancements (non-guaranteed) and Remedial (onsite) Maintenance (non-guaranteed; only if requested by the Port Authority)

Labor Category (Proposer to identify categories below)	A. STANDARD Proposed Rate/ Hour	B. Estimated number of hours for the base term (3 yrs)	C. <i>Total Estimated</i> <i>Base Term</i> (A x B = C)
	\$ _____	X 80	\$ _____
	\$ _____	X 80	\$ _____
	\$ _____	X 80	\$ _____
Total—3 years			\$ _____

D. First Two-Year Option Period: Software Maintenance (patches, upgrades, etc.)

Year	Monthly	Annual
One	\$ _____	\$ _____
Two	\$ _____	\$ _____
Total		\$ _____

E. First Two-Year Option Period: Hourly Rates Enhancements (non-guaranteed) and Remedial (onsite) Maintenance (non-guaranteed; if requested by the Port Authority)

Labor Category (Proposer to identify categories below)	A. STANDARD Proposed Rate/ Hour	B. Estimated number of hours for the first two year Option Period	C. <i>Total Estimated</i> <i>First Two Year Option</i> <i>Period</i> (A x B = C)
	\$ _____	X 60	\$ _____
	\$ _____	X 60	\$ _____
	\$ _____	X 60	\$ _____
Total—2 years			\$ _____

F. Second Two-Year Option Period, Software Maintenance (patches, upgrades, etc.)

Year	Monthly	Annual
One	\$ _____	\$ _____
Two	\$ _____	\$ _____
Total		\$ _____

G. Second Two-Year Option Period: Hourly Rates for Enhancements (non-guaranteed) and Remedial (onsite) Maintenance (non-guaranteed; if requested by the Port Authority)

Labor Category (Proposer to identify categories below)	A. STANDARD Proposed Rate/ Hour	B. Estimated number of hours for the Second two year Option Period	C. Total Estimated Second Two Year Option Period (A x B = C)
	\$ _____	X 60	\$ _____
	\$ _____	X 60	\$ _____
	\$ _____	X 60	\$ _____
Total—5 years			\$ _____

TOTAL COST OF CONTRACT, A through G: \$ _____

H. Assumptions & Notes: On a separate page, provide any assumptions or notes that will clarify or explain your cost proposal. Use additional sheets if required.

ATTACHMENT F - Certified Environmentally Preferable Products/Practices

Proposer Name: _____ **Date:** _____

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

1. Packaging

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

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

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

2. Business Practices / Operations / Manufacturing

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

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

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

3. Training and Education

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

- Yes No If yes, Proposer must attach a description of the training offered and the specific criteria targeted by the training.

4. Certifications

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

- ___ ISO 14000 or adopted some other equivalent environmental management system
- ___ Other industry environmental standards (where applicable), such as the CERES principles, LEED Certification, C2C Protocol, Responsible Care Codes of Practice or other similar standards
- ___ Third Party product certifications such as Green Seal, Scientific Certification Systems, Smartwood, etc.

If yes, Proposers must attach copies of the certificates obtained.

ATTACHMENT G: PROPOSER 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: _____
Email Address: _____
Phone and Fax Numbers of Contact: _____
Contract date(s): _____
Contract cost: _____
Description of work: _____

Customer Name: _____
Address: _____
Contact Name and Title: _____
Email Address: _____
Phone and Fax Numbers of Contact: _____
Contract date(s): _____
Contract cost: _____
Description of Work: _____

Customer Name: _____
Address: _____
Contact Name and Title: _____
Email Address: _____
Phone and Fax Numbers of Contact: _____
Contract date (s): _____
Contract cost: _____
Description of work: _____

ATTACHMENT H: CONTROL REQUIREMENTS CONTRACT CHECKLIST

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 sample 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
 - www.webappsec.org (a consortium of web application security professionals)

- Center for Internet Security (CIS) – 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.

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 effect 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 disk array failure, power loss, loss of network, loss of wireless network, loss 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 adhere 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.

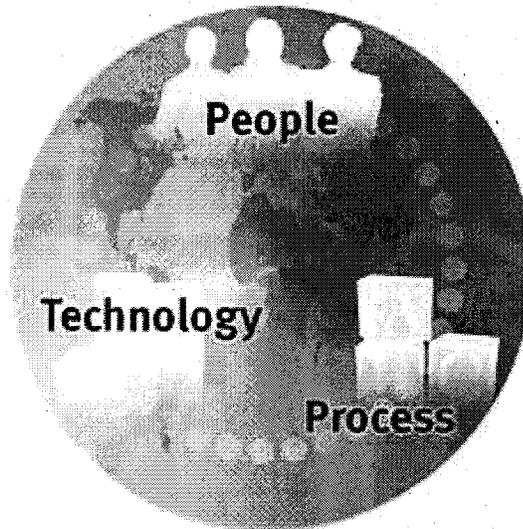
ATTACHMENT I: STANDARDS AND GUIDELINES FOR PORT AUTHORITY TECHNOLOGY

See following pages.

THE PORT AUTHORITY OF NY & N.J.

**STANDARDS AND GUIDELINES
FOR
PORT AUTHORITY TECHNOLOGY**

**(Non-Confidential Sections for use in
preparation/distribution with RFP)**



Technology Department

Version 7.5
5/28/14

(PREPARED FOR RFP: PLACE TITLE OF RFP HERE)

Table of Contents

Introduction	4
1.0 The Port Authority Wide Area Network (PAWANET).....	4
1.1 PAWANET Overview.....	4
1.2 VOIP Circuit Diagram –.....	5
1.3 Inter-site Services Providers	5
1.4 PAWANET Functions	6
1.5 Features of PAWANET	6
1.6 Supported Protocols	6
1.7 PAWANET Switches and Routers.....	6
1.8 Approved Servers	7
1.9 Enterprise Addressing Scheme (including IP addressing).....	7
1.10 Enterprise Network Monitoring Software	7
2.1 Network Overview.....	7
2.2 Enterprise Network Architecture	8
2.3 Network Naming Conventions.....	13
2.4 Directory Services and Structure.....	13
2.5 System Backup and Recovery.....	13
2.6 Business Resumption Plan.....	14
2.7 Telecommunications Standards for Enterprise Network Resources	14
2.8 Documentation	16
3.0 Virus Scanning & Management	16
3.1 Overview	16
3.2 Standards.....	17
3.3 Acquisition and Installation	17
3.4 Virus Detection and Response	17
4.0 Electronic Mail.....	18
4.1 E-Mail Overview	18
4.2 E-Mail System Architecture	18
4.3 E-Mail Environment: Design Considerations and Infrastructure	18
4.4 Integrating Applications Server with Port Authority Email System.....	19

5.0	Intranet	19
5.1	Intranet Overview.....	19
5.2	Direction of eNet Development.....	20
5.3	eNet Software Infrastructure Standards & Guidelines	20
6.0	Workstation Hardware and Operating System Software	21
6.1	Overview	21
6.2	Workstation Operating System Standard	21
6.3	Workstation Configuration	21
6.4	Workstation Security.....	23
7.0	Distributed Systems Environment.....	24
7.1	Overview	24
7.2	Microsoft Windows Servers	24
7.3	Unix.....	25
7.4	z/OS.....	25
7.5	Application Security	26
7.6	Server Physical Security.....	26
7.7	Load Balancing – Failover Architecture.....	26
8.0	Vendor Provided Dedicated Systems	26
8.1	Overview	26
8.2	Physical Security Technology Standards.....	27
8.3	Communications Infrastructure Standards.....	29
8.4	Server Infrastructure Standard.....	29
9.0	Wireless Technologies	29
9.1	Wireless Guidelines.....	29
9.2	Scope.....	30
9.3	Principles.....	30
9.4	Compliance Requirements.....	31
9.5	Device Specifications	31
9.2	Paging Device Policy.....	33
9.3	Cellular Phone & Wireless Modem Policy and Procedures.....	34
9.4	Technology Services Mobile Device (Windows Mobile and Apple) Policy.....	34
9.6	BlackBerry Guidelines.....	35

Introduction

The purpose of this document is to communicate the standards established by the Technology Department (TD) and provide guidance in proposing Information Technology (IT) solutions for the Port Authority of New York & New Jersey (PANYNJ), the Agency.

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.

1.0 The Port Authority Wide Area Network (PAWANET)

1.1 PAWANET Overview

The Port Authority has a modern distributed computing network, called the Port Authority Wide Area Network (PAWANET), which is managed as an enterprise resource. It connects all the various Port Authority facilities and transportation systems using high-speed voice, data, and video lines or links.

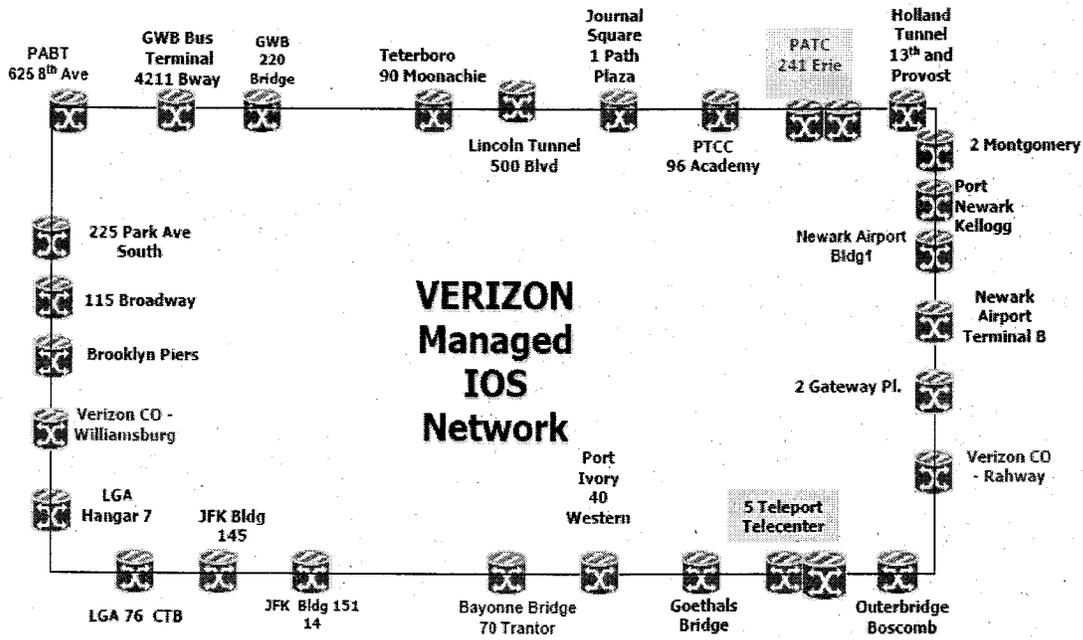
This network is crucial to all Port Authority businesses because it provides the connections for applications such as e-Mail, Internet and Intranet access, SAP, PeopleSoft, Electronic Toll Collection, Computer Aided Design and Drafting (CADD), Lease Image, Closed Circuit Television (CCTV) surveillance systems, and in the future, videoconferencing, and more.

PAWANET consist of a Managed Fiber Optic Dense Wave Division Multiplexed (DWDM) Network, provided by Verizon Select Services, as an Integrated Optical Service (IOS) network. This network consists of eleven separate and distinct (1) Gbps lightwave networks, each interconnecting with the data centers at Telecenter and the Port Authority Technical Center (PATC). Site-to-Site interconnectivity is achieved via the "hub and spoke" topology through the data centers. Additional high-speed Ethernet Private Lines (EPL) have been deployed to support key Port Authority off-ring facilities. Remote locations are linked using redundant high-speed dedicated point-to-point leased communication lines.

Remote locations are linked using redundant high-speed dedicated point-to-point leased communication lines. Wireless connectivity also supported when hardwired connections are not practical.

The network consists of state-of-the-art Cisco Systems equipment and services, such as, high performance Cisco Catalyst switches and routers. The Port Authority uses Bluewater Network Monitoring Services to monitor PAWANET, and Cisco Systems SMARTnet hardware/software maintenance services, and Cisco's Technical Assistance Center (TAC) to support and maintain the network.

1.2 VOIP Circuit Diagram –



1.3 Inter-site Services Providers

The Technology Department (TD) has contracted with a variety of companies to provide inter-site services. Companies providing communications services for the Wide Area Network are listed below.

- AT&T Local Services
- Verizon

1.4 PAWANET Functions

Currently PAWANET is used to transport the following:

Data	Supports the low and high volume transfer of data used for applications, such as SAP and PeopleSoft, and for network communications, such as e-Mail. Provides a data path for off-site, mainframe data backup of file, print and application servers. Enables the use of Storage Area Network (SAN) for network storage of user files and routing jobs to shared network printers.
Video	The transfer of Closed Circuit TV (CCTV) data is supported across the entire network to provide security for the Port Authority's key facilities. The network provides the hardware capabilities for voice and VoIP transmission.
Voice	
Videoconferencing	The network switches and transmission lines are used for videoconferencing to enable diversely located staff participate in meetings across large geographic area.
VOIP	Voice Over Internet Protocol (VOIP) is in the process of being implemented for the agency to replace the legacy Nortel system, which currently serves the majority of Port Authority users. VOIP will be another data stream utilizing the PAWANET infrastructure.

1.5 Features of PAWANET

PAWANET provides a high performance and reliable fail-safe communications network. These are its key features:

- Alternate paths of communication
- Support of high volume traffic such as CADD, CCTV and others
- Catalyst 3000, 4000 and 6500 switches at all the major sites, and at the Teleport
- Cisco high performance 2000, 3000 and 7200 router family products with redundant power supplies

1.6 Supported Protocols

The network supports the following network protocols, allowing dissimilar platforms to communicate within PAWANET:

TCP/IP:	TCP/IP is the universal protocol that allows communications between all systems within the Port Authority's network, as well as other networks.
IPX/SPX:	This protocol allows communications between all Novell platforms.
SNA/SDLC:	This protocol allows communications between all IBM systems and other systems that support System Network Architecture (SNA).

1.7 PAWANET Switches and Routers

The current standard switches and routers used on PAWANET are:

- Tellabs Reconfigurable Optical Add Drop Multiplexers (ROADMS) are the DWDM nodes on the Verizon Managed IOS Network.
- Cisco High performance 3000, 4000, and 6000 series switches
- Cisco High performance 2000, 3000 series routers for intermediate connectivity.
- Cisco 7200 high performance routers
Provide high-speed connectivity and routing capabilities across the network in

support of TCP/IP, IPX/SPX and bridging functions, and provides routing capabilities for Port Authority Internet access.

- A pair of fault tolerant 10 Gbps links on IOS are established on IOS to provide the required band with between the data centers at Telecenter and PATC.

1.8 Approved Servers

Only IBM File & Print and Application servers may be connected to PAWANET.

This includes turnkey and distributed systems where File & Print or Application servers are used. Any replacement File & Print or Application servers must be IBM servers. Deviation from this policy will not be allowed, without prior approval of the Chief Technology Officer or their designee.

1.9 Enterprise Addressing Scheme (including IP addressing)

The Port Authority's enterprise network is a TCP/IP Class B network allowing for a maximum of 255 subnet assignments. Subnets assigned on a geographical basis according to the number of resources required. Workstations are configured for dynamic assignment of IP addresses via Dynamic Host Configuration Protocol (DHCP).

TD will assign static IP addresses for servers, printers and faxes that are to be connected to PAWANET.

1.10 Enterprise Network Monitoring Software

The Port Authority has selected Bluewater Network Monitoring Services to continually provide real time monitoring of PAWANET, and its data and voice link availability. To provide for real time network monitoring, the following software utilities are used by Bluewater and the Port Authority, respectively:

- Remedy Network Management software used by Bluewater
- Cisco Works for Switched Internetworks used by Port Authority

2.0 Network Resources

2.1 Network Overview

The Port Authority has a modern distributed computing network, which is managed as an Enterprise resource. The network connects all individual PCs, servers, printers, and other devices in a unified computing infrastructure that makes it possible for the Port Authority to conduct its business.

The Enterprise Network consists of the PAWANET (see Section 1.1) and connected Local Area Networks (LAN's). The line of demarcation between the cable and wiring is the responsibility of the carrier and the Port Authority's area of responsibility is usually a wiring closet. The Port Authority's Enterprise Network consists of the following components on the Port Authority side of demarcation:

Enterprise Devices

- Cabling
- Routers
- Switches
- Wiring Closets
- Communications Equipment Racks
- Server Racks
- File and Print Servers
- Application Servers
- Storage Area Networks (SAN)
- Network Printers
- Security Devices (Video Encoders, IP Cameras, ACS Panels)

LAN Devices

- Desktop PCs
- Workstations
- Voice Over IP Phones
- Laptops
- Video Conference Units
- Local Printers
- Scanners
- Copiers
- PC Peripherals

2.2 Enterprise Network Architecture

The Port 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 Port 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.

2.2.1 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 Department prior to connection to PAWANET.

2.2.2 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.

2.2.2.1 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:\APP

S

- 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\- Each Department's SHARE folder will contain at least three sub-folders titled Org, Everyone and Projects.
- 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 Chief Technology Officer, 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

2.2.2.2 **Connecting LAN Devices to the Enterprise Network**

The Technology Department (TD) 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)

2.2.3 Server Network Resources Security

2.2.3.1 **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.

2.2.3.2 **Server Logical Security**

To safeguard the Port Authority's Information Technology (IT) systems and data, TD 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.

In plain English, 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.

TD, 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.

2.2.4 Network Access and User Account Security

2.2.4.1 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.

2.2.4.2 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.

2.2.4.3 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.

2.2.4.4 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.

2.2.4.5 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.

2.2.4.6 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 Department (TD).

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.

2.2.5 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 Department's Chief Technology Officer.

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.

2.2.6 Hardware Standards

The TD 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. TD is responsible for the automatic replacement/upgrade of hardware that has exceeded the agency standard age limit.

2.2.6.1 Standard Servers

A representative sample of standard servers is as follows:

Server Description	IBM Model
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.

2.3 Network Naming Conventions

2.3.1 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 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.

2.5 System Backup and Recovery

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

Version 7.5 (RFP – PLACE TITLE OF RFP HERE)

- **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 Department (TD) 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 Telecommunications Standards for Enterprise Network Resources

To see the standards and guidelines for the following telecommunications components, please see the Appendix.

Appendix 2 - Communication Rooms/Closets Standards

Appendix 3 - Standard Cabling Schemes

- Appendix 4 - Unified Wiring Specifications
- Appendix 5 - Telephone Closet / IDF Termination Blocks
- Appendix 6 - Workstation Jacks
- Appendix 7 - Standard Switches
- Appendix 8 - Workstation and Lateral Cable Identification Management
- Appendix 9 - Fiber Optics Specifications for Network Services - PAWANET

2.7.1 Closet and Telecommunications Room Access

The following standards must be followed regarding access to closets and communication rooms:

- All telecommunications rooms must be physically secured. Remote locations, which are not secured, by a guard or within line of sight of personnel, must be secured by a card access system and/or video cameras.
- The Network Connections (NC) group is responsible for installing routers, switches (along with Cisco Staff when applied) and station drops. They also patch connections and troubleshoot LAN cabling.
- System Administrators requiring routine maintenance of data communications equipment should call the Customer Support Desk when new devices or reconfigurations are required.

2.7.2 Telecommunications Installation Contractor's Responsibilities

1. Adherence to all of the above specifications
2. Assurance of labor harmony by providing installation technicians whom currently maintains appropriate union membership
3. The contractor must supply all cable, blocks, brackets, connectors, jacks, housings, face plates, special tools, etc., as necessary to perform an installation which is satisfactory to the Port Authority.
4. The contractor must label every workstation (jack faceplate) and the corresponding cross connect point (punch down block or patch panel) in accordance with the cable identification management plan, as previously described.
5. Install all Category 5e cabling in the proper manner, with the appropriate number of twists, to maintain Category 5e integrity and capabilities, as outlined in the TIA/EIA 568-B.2 standard.
6. The contractor must ensure that cable connections are in accordance with

standard telecommunications practices and that all cabling maintains normal connectivity and continuity.

7. All materials must be agreed upon by PA Network Services prior to the start of installation.
8. All computer or network communication rooms and closets are to be isolated, locked, and secured. No other equipment, storage area, or smoking area are to be located in this room. This room must provide appropriate cooling and ventilation. Access to this room will be reserved to TD staff and an agreed upon Facility Manager or designee of the site where the PAWANET equipment is located. This procedure is to ensure the security and the integrity of the Port Authority's computer network and its users.

2.7.3 Electrical Requirements

The following power and receptacles should be installed to support different equipment requirements such as:

- Standard 110/120 volt power receptacles
- Standard and/or NEMA 5L630P 220/240 volt 30 amp power receptacles
- Dedicated circuit breaker per AC feed, with alternate power source.
- Server rack electrical requirements are specified in the appropriate design document.

Currently, services obtained through the PA's contract are required to have the APC (American Power Conversion) UPS included in the delivered service.

2.7.4 Telephone Company Interface

The following items are needed for the telephone company interface, if needed for a specific vendor solution:

- a) Install a dedicated wallboard for Telco demarcs (if none available for implementation)
- b) Standard Telco demarcs:
 - P66 Block
 - Network Termination Unit (Rj48 interface) Smartjacks
 - Network Termination Unit (DB15-pin female interface)
 - Network Termination Unit (V.35/V.36 female interface)
 - Digital Signal X-connect (DSX)
 - Basic T1 CSU/DSU
 - Basic DS3 handoff coax/HSSI unit
 - High-speed dialup modems for network trouble-shooting when needed

2.8 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
Version 7.5 (RFP - PLACE TITLE OF RFP HERE)

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 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 Support 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 Electronic Mail

4.1 E-Mail Overview

The Port Authority's Electronic Mail System (E-Mail) is designed to facilitate business communication among employees, job shoppers, contractors, consultants, and outside business associates. This E-Mail system is comprised of Microsoft Outlook desktop software accessing e-mail stored on Microsoft Exchange servers. This solution also includes group calendaring and workgroup collaboration.

4.2 E-Mail System Architecture

The Port Authority's E-Mail system is hosted by AT&T Corp, who acquired USinternetworking, a managed application service provider; and consists of Microsoft Exchange servers connected to the Port Authority's enterprise network. Authorized Port Authority staff access their corporate e-mail through Microsoft Outlook desktop software on the network. The system has multiple Exchange servers containing mailboxes and Public Folders. Additional servers host Outlook Web Access, BlackBerry services, and perform Internet-based e-mail services including anti-spam and anti-virus e-mail checking.

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. In addition, the Port Authority hosts DNS servers to satisfy requests from the Outlook client as needed.

High-speed, secure, and redundant network connections connect the AT&T's data center and network to the Port Authority network.

4.3 E-Mail Environment: Design Considerations and Infrastructure

The E-mail environment is further described below:

- The E-Mail system is comprised of Microsoft Outlook 2007 desktop software accessing e-mail (via MAPI mail protocol) stored on several Microsoft Exchange 2007 servers
- E-mail is protected by TrendMicro's InterScan Messaging Security Suite and ScanMail for Microsoft Exchange virus protection software products on the Exchange servers.
- Incoming Internet-based e-mail is also scanned for Spam and for viruses through McAfee (MX Logic), a web-based service provider.
- The servers are currently configured for the following messaging protocols:
 - o MAPI (Microsoft's Messaging Mail protocol) and SMTP
- IMAP4 and POP3 mail protocols, NNTP news protocol, and LDAP directory protocol are disabled.
- Front-end Exchange servers running TrendMicro's InterScan Messaging Security System (IMSS) are being used to send and receive Internet SMTP mail. No other mail system connectors (such as Lotus Notes) are in place.
- RIM's BlackBerry Enterprise Server software for Exchange provides wireless e-mail and calendar access to BlackBerry wireless handheld device users.
- There are several forms of SMTP addresses used at the Authority. Exchange Active Sync is used to provide email and calendar access to Apple iPads/iPhones and Windows Mobile devices.
- Exceptions are governed by the Authority's directory services

- structure and user account requirements.
- Each individual e-mail message and its file attachments have a combined limit of 10MB.
- Each regular user mailbox has the following size limits:
 - 80 MB - user receives warning notice
 - 90 MB - user is prohibited from sending
 - 100 MB - user is prohibited from sending or receiving
- Other mailbox sizes exist on an exception basis.
- This E-Mail system also includes group calendaring and workgroup collaboration.
- 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. Documents requiring long-term storage are stored elsewhere such as on Windows file servers.

4.4 Integrating Applications Server with Port Authority Email System

4.4.1 Requesting SMTP Services

The vendor will request SMTP services from and coordinate its work with the Technology Department

Port 25 needs to be available to utilize it for SMTP services.

4.4.2 Email Restrictions

The following restrictions are in place to protect the SMTP system and the "reputation" of Agency mail servers on the Internet:

- Forged email headers are **STRONGLY** discouraged, but applications for circumvention will be entertained, and valid business justifications must be included. The "From" and "Reply-to" fields should be valid users on the system sending email.
- Settings: The maximum number of recipients per email is currently 90. This includes "To", "cc", and "bcc"; maximum size with attachments is 10MB. Emails that do not conform to these restrictions will be rejected by the SMTP servers.
- Mail will be relayed only if your server has an entry in the SMTP access database.

Note: SMTP logs are checked periodically for policy violations. Repeated violations and failure to correct them will result in SMTP services being disabled for the offending system.

5.0 Intranet

5.1 Intranet Overview

The Port Authority EmployeeNet (eNet) is intended to provide timely information and resources to employees via the web browser on their desktops. eNet is a decentralized collection of web pages, data lookup services and applications that are managed as if they were a centralized enterprise resource. It is accessible to all personal computer workstations on the Port Authority Wide-Area Network (PAWANET). eNet is housed on servers at the Teleport.

Examples of business information hosted on eNet include:

- Departmental Websites
- Directories
- Corporate Announcements
- Reference Materials
- Document Collections
- Library Services
- News Displays
- Enterprise and Departmental Applications

5.2 Direction of eNet Development

eNet is intended to provide a convenient, timely and accurate source of information for Port Authority employees as well as providing access to enterprise and departmental applications. The owner of content on eNet is responsible for authorizing its publication, its accuracy and timeliness. Technology Services provides a common infrastructure and technical support for those departments that electronically publish agency information or make available electronic resources. Infrastructure standards and guidelines are recommended to ensure compatibility and facilitate maintenance. Departments requesting specific applications should discuss their requirements with eNet staff to determine a solution that best meets the department's business needs.

5.3 eNet Software Infrastructure Standards & Guidelines

Category	Software Name	Minimum Version
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
Application Server Software	Adobe Cold Fusion 9	7.0
Development and Design Tool	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

5.3.1 Design Guidelines

We have developed the following guidelines to ensure that all web pages on eNet have a consistent look, feel and navigation scheme, while providing creative flexibility.

Departmental Web Site Standards and Guidelines

Prescribed standards are assigned to only the following items:

Resolution: Pages are designed for optimal viewing at the 1024x768 setting.
Page Width: Each page has a fixed page width of 960 pixels.
Page Justification: The entire page is center-justified within the browser window.
Page Layout: Each web page will follow the same, basic layout:
A Global Navigation strip;
A Masthead;
A Local Navigation strip;
A Body area (with a 1-column, 2-column or 3-column layout);
A Footer.

5.3.2 Accessibility Guidelines

TD's eBusiness Unit is committed to making all eNet content accessible to persons with disabilities. In order to ensure that all eNet web content is in compliance with accessibility guidelines and applicable legal requirements, contact the Webmaster via email at webmaster@panynj.gov, or call 212-435-3294.

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.

6.3.3 Remote Workstation Management

The Port Authority also distributes software applications and upgrades via Novell's ZENworks. Each workstation should have Novell's Workstation Management module installed as part of the NetWare workstation client. This will enable remote distribution and updates of software, hardware inventory and workstation troubleshooting.

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. The following is current workstation standard:

Lenovo ThinkStation D30 4223-CC9 - Custom PA configuration based on Lenovo Model 4223-69U; (1) Intel Xeon E5-2650 2.0Ghz 8core – (2) x 8GB RAM - (2) 500GB SATA HDD - NVIDIA Quadro 4000 2GB - Windows 7 Professional x64.

Lenovo ThinkPad T430 2347-EZ4 - Custom PA configuration based on Lenovo Model 2347-G6U; i5-3320M, (2) x 4GB RAM, 14.0" High Definition+ Wide Screen Display, 720p Camera, 500GB 7200rpm Hard Drive, Backlit Keyboard-None, Intel 6205 PCIe mini card, PCIe WWAN upg, Finger Print Reader, Blue Tooth, Battery Cells 9, Intel vPro, Windows 7 Professional x64.

Lenovo ThinkCentre M92p 3212-C14 - Tower - Custom PA configuration based on Lenovo Model 3212-C7U; 4x5 i5-3550, (2) x 4GB RAM 1600MHz, 250GB 7200 rpm hard drive, Bay DVD±RW, Media Reader-None, High Definition 2500 Graphics Card, Display Port Dongle-None, Chassis Intrusion Switch-None, Energy Star 5.2, Intel vPro, Global Program-None, Windows 7 Professional x64.

NEC AccuSync AS191WM-BK Flat Panel display- TFT-19" widescreen1440 x 900 /250 cd/m2 1000:1 5ms 56 - 75 Hz Analog RGB 0.7 Vp-p/75 Ohms DVI-D and VGA 15-pin D-Sub

NEC MultiSync EA243WM-BK - LED monitor - 24" - 1920 x 1200 - TN - 250 cd/m2 - 1000:1 - 25000:1 (dynamic) - 5 ms - HDMI, DVI-D, VGA, DisplayPort - speakers - black

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, TD 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. The applications supported by third party service providers are: PeopleSoft, SAP and Livelink 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 Department.

Current list of Enterprise applications, is shown below –

AutoCAD	Oracle
BudgetPRO	PeopleSoft
Cognos Client Software	Primavera
Livelink	SAP
Microsoft Server	Schedulesoft
MS SQL	TRIM

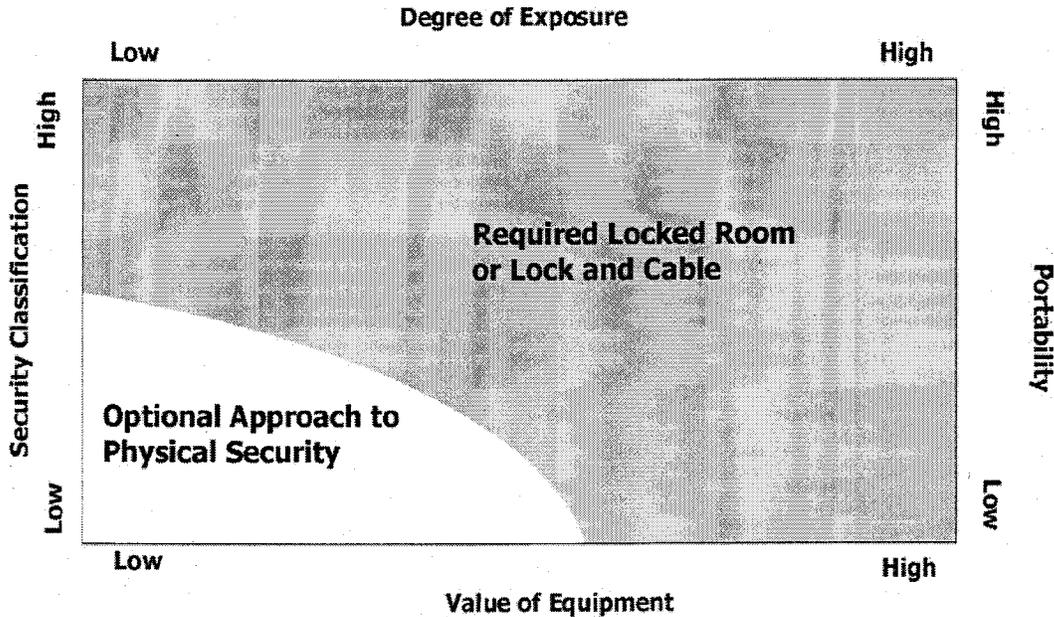
6.4 Workstation Security

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 Department (TD) 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, TD 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 Department (TD).

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

TD 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 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 Vendor Provided Dedicated Systems

8.1 Overview

Vendor Provided Dedicated Systems refers to the application software and possibly the computer hardware that may be furnished and/or installed by an outside contractor. These systems are usually procured through either a Request for Proposal (RFP), or a "Low Bid" contract and are specifically engineered to support a dedicated application.

These systems generally support Capital Projects, which are usually large scale, multi-year engagements, requiring specialized technical and management staff, as well as, Systems Integration support. These projects normally have significant construction components and require the coordination, design and support from many diverse Engineering and Technology disciplines.

On all technology related projects a representative from the Technology Department (TD) provides a single point of contact for technology oversight, accountability, adhering to standards and systems integration, which is required under the Roles and Responsibilities of the Director and is expected by our client departments.

To ensure a successful project implementation and honoring our responsibility to the Agency and

our customers, one of the steps undertaken by TD is to provide guidance and focus attention on, adherence to and compliance with the Port Authority Technology Standards and Guidelines.

By following the Standards and Guidelines, it enables the Port Authority to

- Leverage large discounts negotiated in the various requirements contracts.
- Ensure that the seamless integration of equipment with other existing systems.
- Ensure that long-term maintenance and systems administration contracts are focused on the same product lines.
- Ensure that the relevant sections of the Standards and Guidelines are included in either, the basic design of a low bid contract or as requirements in an RFP. Responses to RFP's shall be reviewed for their compliance with the Standards and Guidelines.
- Deployment, integration and testing shall be monitored by TD to ensure that equipment or infrastructure is not duplicated, that the integration and migration plan will not adversely affect existing systems, and to integrate new systems under existing maintenance contracts where applicable.

In cases where a specific vendor or system is so specialized that it normally does not adhere to the hardware, software, infrastructure and operations guidelines of the Standards and Guidelines, the vendor shall be directed to work with TD in exploring all options. If an exception is required, the vendor should work with TD to prepare the necessary business case scenarios to receive written concurrence from the Chief Technology Officer for this deviation from the Port Authority Technology Standards and Guidelines.

8.2 Physical Security Technology Standards

8.2.1 Agency Standard for Digital Video Recording, Access Control and Alarm Monitoring
Based upon the Agency's investment and positive experience with Lenel's Systems OnGuard access control and alarm monitoring application offering as well as Verint Nextiva, CCTV and Digital Video recording technologies, these product sets are the Agency's standard. Below is a description of when these standards apply.

The Port Authority has long recognized the need for a corporate architecture for its security systems that would allow us to integrate digital video and access control recording compatible technologies agency-wide. Using these standards will improve the Agency's security posture and will permit us to leverage additional operations and business benefits while keeping our operations resources, maintenance and support costs at a minimum.

The standard will also improve:

- Access to and the sharing of information from a centralized location
- Centralized monitoring of all facilities from an Emergency Operations Center
- The operational and cost-effectiveness of adding a variety of modular features to the core systems, such as paging, e-mail, fire systems, facility management, etc.
- Alarm notification, response, and acknowledgement
- Operational flexibility for facility and Public Safety staff
- Single learning curve
- Reduce the cost for maintenance and system administration

Guidelines for using the Verint Nextiva standard include:

1. If the CCTV system needs to be recorded
2. When an existing system is in place, at a PA facility or at a tenant facility that is monitored/reviewed by PA personnel, and needs to be upgraded or expanded to accommodate a particular project.
3. When rule based intelligence is to be added like motion detection and other related algorithm processes, all efforts should be made to ensure compatibility, functionality, maintainability (version upgrade resiliency) with the existing Verint

system.

4. If WEB based video needs to be made available
5. When monitoring at remote locations is needed to view on site operations and archived events via the corporate WAN
6. When live video monitoring is required
7. When distributed recording is required i.e. at multiple locations, concurrently
8. When network transport (communication) medium has limited bandwidth and the video needs to be sent to designated workstations on the network. All network transport tasks and bandwidth planning is required to be discussed with Technology Department before proposing any solutions
9. On all new projects where Verint Nextive is the current site base system
10. When the Office of Emergency Management (OEM) department needs override capabilities in the event of an emergency
11. If third party technology (non-Verint supplied) is required to be integrated with the current Verint system at a facility, that technology must be compatible with the existing Verint system at the particular facility. Any third party integrations need to be reviewed and approved by the Technology Department and be approved for use by the manufacturer (Verint) for the software version in production at the facility. When a (Verint) software upgrade is required in order to deploy a third party interface, that upgrade will have to be coordinated through TD, the facility, and the appropriate contractors(s).
12. Any server or workstation supplied in conjunction with a particular system must comply with the hardware and software requirements of both the Port Authority and the manufacturer of the video management software.
For more information regarding CCTV standards, reference the CCTV Standards and Guidelines documentation.

Guidelines for using the Lenel OnGuard standard

include:

1. All new or upgrade projects that require electronic card access and / or alarm monitoring
2. All projects that will have security that needs to be monitored by PA personnel or contractors (airports are monitored by contractors)
3. All new projects where Lenel OnGuard is the site base system currently
4. Where access is required to work with ID cards that exist and are compatible with the agency standard
5. When the OEM department needs override capabilities in the event of an emergency
6. If third party technology (non-Lenel supplied) is required to be integrated with the current Verint system at a facility, that technology must be compatible with the existing Verint system. Any third party integrations need to be reviewed and approved by the Technology Department and be approved for use by the manufacturer (Lenel) for the software version in production at the facility. When Lenel software upgrade is required in order to deploy a third party interface, that upgrade shall have to be coordinated through TD, the facility and the appropriate contractor(s).
7. Any expansion of card access systems (added card readers, sensors, etc.) need to be reviewed and approved by the Technology Department to ensure that the new devices meet the agency standards for card access(including but not limited to: card formats, badge layouts, encryption algorithms, etc.)
8. Any server or workstation hardware required in conjunction with a specific system must be provided by the Technology Department.

Currently the Access Control Task Force is working on the Access Control Standards for the Agency. The work is tentatively scheduled to complete by year-end 2013. The Access Control Standards documentation will be available upon completion.

8.2.2 Situational Awareness Platform Software

The Situational Awareness Platform Software (SAPS), is a software application that allows multiple, independently manufactured and installed security, life safety, and building systems to all interoperate under a single, common operating picture, giving a user access to information
Version 7.5 (RFP – PLACE TITLE OF RFP HERE)

spreading across multiple systems as if they were all one single system. This "common view" is made even more valuable by the incorporation of powerful, rules-based tools within the SAPS system, which allows intelligent linking of seemingly unrelated events into "Situations" that represent patterns of activity that pose a threat to security or site-wide operations.

The SAPS objective is to monitor the identity and event data from the various systems, identify incidents and anomalies, and detect trends that could be a threat to our facilities. SAPS turns data into actionable intelligence when an incident is detected. SAPS have the capability to automatically alert the security operations staff and push the information to security control centers and first responders.

- Provide a software platform to enable integrating the various electronic systems across all agency sites
- Provide a single software perform solution for situational awareness.
- Provide a single system database for reports
- The SAPS will provide transparent notification of security related events for all agency security systems.

8.3 Communications Infrastructure Standards

The Port Authority Standard for Communications Infrastructure is Cisco. This applies to all future systems, as well as, upgrades to existing systems. This standard ensures the interoperability of all deployed systems and permits the full integration of systems into PAWANET. In addition, all Cisco equipment either designed in a low bid contract or specified in an RFP must be purchased through the Cisco Requirements contract, which is administered by TD and permits the Agency to purchase equipment, maintenance and support services under the high discounts negotiated in the Requirements Contract.

This standard applies but is not limited to; Layer 2 and 3 Ethernet switches, Routers, Wireless Access Points (WAP), Mobile Access Routers (MAR), GIG E (Gigabit Ethernet) switching and networking and SONET (Synchronous Optical NETWORK) equipment. Deviation from this standard requires the written consent of the Chief Technology Officer.

8.4 Server Infrastructure Standard

The Port Authority's standard platform for File & Print and Application servers is IBM.

Technology Services has contracted discounted pricing with our service provider for its servers and hardware support. In order for the agency to take full advantage of these savings, any new Application servers or File & Print servers must be built using IBM hardware purchased by TD. This includes turnkey and distributed systems where File & Print or Application servers are specified in the design. Any replacement File & Print or Application servers must be IBM servers. Deviation from this policy will not be allowed without prior approval of the Chief Technology Officer or his designee.

9.0 Wireless Technologies

9.1 Wireless Guidelines

9.1.1 Purpose and Scope

This section references the standard policies and procedures for all wireless devices and technologies including voice and data capabilities that store, process, transmit or access data. This includes but is not limited to commercial and unlicensed wireless networks and laptops, cellular devices, scanning devices, messaging devices (email devices) and PDAs.

9.1.2 General Policy

Employees will only use PA owned wireless devices to store, process, transmit or access PA data.

The following must be considered:

- Wireless Technologies Vulnerabilities Protection
- Minimum Requirements
- Identification and authentication at both the device and network level.
- Confidentiality encryption of data transmitted is required.
- Data end-to-end over an assured channel (a communication link with security protocol such as Secured Sockets Layer).
- At the device level, implement file system encryption where applicable.
- Devices should not be connected to PA systems for data synchronization, data transfer, or any other purpose without virus protection, mobile code restrictions (executable information delivered to information system and directly executed on any architecture that has appropriate host execution environment) and other preventative measures.

9.1.3 Personal Area Networks - PAN

PAN technologies should not be used for transmitting information without encryption.

Bluetooth security alone is unacceptable because it is not encrypted and does not use Federal Information Processing Standardization (FIPS) 140-1/2.

Wireless devices should be procured without Bluetooth embedded transmitters, when not possible transmitter should be disabled.

9.1.4 Wireless Local Area Networks – WLANs

9.1.4.1 Overview

Business requirements have arisen throughout various Port Authority locations for the improved use of Wireless LAN technology to facilitate local user mobility. Research performed on the different technologies support the use of Cisco as opposed to various wireless vendors in an attempt to produce a standard that will provide the agency with a secure, robust and scalable solution as WLAN's continue to grow within the agency.

In summary, the current Port Authority Wireless LAN standards are based upon IEEE 802.11n draft 2.0 technologies. (802.11n is backwards-compatible with existing 802.11a/b/g network adapters.)

The physical infrastructure is now based upon a centralized WLAN architecture that relies upon Cisco wireless bridges, access points, mesh routers and newly implemented controllers. WLAN's should be standardizing on the 4404 and 4402 controllers at this time as described further in this document.

Wireless LAN technology is continually developing with rapidly evolving industry standards, government regulations, and vendor products. As a result, the WLAN Standard presented in this document will likely be superseded in the future as the technology and products change.

9.2 Scope

The scope of this document shall present some standards for the Agency Wireless LAN and the specification of all devices and configurations.

9.3 Principles

At the highest level, the principles for the Wireless Standard are based upon the following attributes:

- Security - use of strong encryption (e.g. WPA-TKIP / WPA2- AES) for use as authentication of all traffic on a port-to-port basis, with the use of credentials stored on a back-end RADIUS server utilizing key distribution.
- Scalability - with LWAPP access points & use of LWAPP tunnels

- Reliability - via authentication of users to the networking enterprise mode.
- Manageability - via secured ports and VPN / FW access.

9.4 Compliance Requirements

All specifications defined in this document may be effective upon approval of and complete concurrence with TD's Chief Technology Officer, to update wireless standards and policies as per IEEE and Wi-Fi Alliance Standards

9.5 Device Specifications

The following sections will provide the various hardware components, and related firmware versions, that are specified for use in the Port Authority's WLAN solution.

9.5.1 Access Point (AP) Standard

Standards Details:

- 3600 AP's are the agency standard for WLAN deployment. These AP's have 802.11n 2.0 radios. Backward compatible to 802.11 a/b/g.
- 1310 AP/ Bridge is certified for use in unique situations where both internal and external antennae are supported. The major distinction is that of a more rugged chassis designed for higher-stress outdoor-type conditions. 3250 mobile routers for mesh deployments.
- AP Deployments will be Lightweight Access Point (LWAP)
- AP Standard Summary:
 - a) Two cables per pull during wiring for wired to wireless.
 - b) AP's & controller placements via RF propagation results.
 - c) PA supported standard AP's need to be verified with TD
 - d) If wireless is primary connection-'load-balance' AP' cabling connection to two different network switches
- WLAN Controller Standard
This standard is in the process of being upgraded to Network Control System (NCS) & Identity Services Engine (ISE) Appliance to accommodate more advanced wireless deployments.

- **Best Practice**

The following information is industry best practices for wireless hardware implementation agency- wide deployments, not for wireless device configuration practices.

WLAN Best Practices Add-ons:

1. Ensure that the PA maintains an up-to-date wireless hardware inventory.
2. Identify rogue wireless devices via wireless intrusion prevention systems (IPS)
3. Enable automatic alerts on the wireless IPS
4. Perform stateful inspection of connections.
5. Augment the firewall with a wireless IPS
6. Mount AP in location that do not permit easy physical access
7. Secure handheld devices with strong passwords
8. Enable WPA and WPA2 under ENTERPRISE mode
9. Synchronize the AP's clocks to match networking equipment.
10. Manage remote physical locations of all access points which support an isolated network that needs access to PAWANET for server farms and internet access.
11. Maintain cryptographic strength range from 128-bits to 256-bits with matching symmetric algorithms AES-128 to AES-256.

Wireless Control System (WCS):

1. Single license

Version 7.5 (RFP - PLACE TITLE OF RFP HERE)

2. Secure "WIRELESS LOCATION APPLIANCE" with real-time client tracking & RF fingerprinting
3. Secure Windows-Based deployment as minimum, for example, windows server 2003; intel dual-core; 3.2 GHz; 4-GB RAM; 80-GB hard drive; IPS devices; IOS firewall routing; HTTP port 80; HTTPS port 443.
4. Multi-homed server (i.e., two NIC cards)
5. Secure WCS and IIS (i.e., internet information service), installation sequence
6. Create configuration group (configure multiple controllers)
7. Secure auto provisioning with filtering
8. Secure WCS with RF modeling for heat map planning
9. Secure 15 second alarm summary refresh

9.1.5 Portable Electronic Devices (PEDs) – Cell Phones, PDAs, messaging devices, laptops and tablets

If a device receives information via a wireless technology, and that device allows that information to be placed directly into the corporate network at the workstation level, then all perimeters and host-based security devices have been bypassed. Therefore, the following procedures apply:

- PEDs connected directly to a PA wired network via a hot sync connection to a workstation shall not be permitted to operate wirelessly at the same time. Wireless solutions could create backdoors into corporate networks.
- IR, Bluetooth and 802.11 peer to peer should be set to "off" as the default setting. Mobile code should be downloaded only from trusted sources over assured channels.
- Anti-virus software should be on devices and workstations that are used to synchronize/transmit data, if available. Where not available on a device, you need to disable the synchronization capability or provide server or workstation based handheld anti-virus protection.
- PEDs are easily lost or stolen therefore approved file system/data store encryption software should be installed.
- PEDs need to be capable of being erased or overwritten to protect data. If the device is no longer needed and cannot be erased or overwritten, it must be physically destroyed.

9.1.6 Cellular and Wireless Email

Cellular and wireless email devices are subject to several vulnerabilities (e.g. interception, scanning, remote command to transmit mode, etc). Therefore, the following procedures apply:

- These devices are not to be allowed into an area where classified information is being discussed unless it is rendered completely inoperable.
 - Must have end-to-end encryption.
- PC based redirectors are not allowed as it requires the PC to be active at all times only server based redirectors should be used.
- Electromagnetic sensing shall be periodically performed to detect unauthorized LANs, Bluetooth transmitters etc.

9.1.7 Synchronization

Some synchronism systems will operate even if the workstation is locked and the wireless or handheld device is not registered with the sync application on the workstation. As long as the workstation is on, the user is logged on, the data application client (e.g. MS Outlook) is active, and the "hot sync" cable is attached to the workstation; any person can place a compatible wireless or handheld device in the "hot sync" cradle and download data. Therefore, the following procedures apply:

- "Hot sync" cable or cradle has significant security risks, therefore perform "hot sync", and then remove immediately once "hot sync" operation is complete.
- Secure "hot sync" cables and cradles.
- Use only PA approved third party sync access control software installed on all workstations.
- PA owned devices may only be synchronized with PA owned computer systems

9.1.8 Responsibilities of Technology Department

- Monitor and provide oversight of all PA wireless activities, insure interoperability of wireless capabilities across the agency.
- Develop appropriate technical standards and guidelines for secure wireless and handheld solutions.
- Establish a formal coordination process to ensure protection of PA information with PA information systems employing wireless technologies.
- Review and evaluate wireless technologies, products, solutions that meet PA requirements.
- Identify approved monitoring mechanisms for wireless devices to ensure compliance with policy.
- Periodically review approved wireless technology standards and procedures to ensure products and solutions remain compliant.
- Support risk management activities associated with evaluating wireless services
- Act as central coordination point and final approval authority for any exceptions to this policy.
- Define or approve acceptable wireless devices, products, services and usage.
- Provide immediate consultation to PA units.

9.1.9 Responsibilities of Technology Services Voice Networks Group

- Adhere to wireless procedures and standards, establish procedure for reviewing and approving requests for using wireless devices to store, process, or transmit information.
- Establish procedures for periodically reviewing approved wireless devices and services to ensure that the business requirement for device/service/system is still valid and meet current PA guidance.
- Establish procedures for inventory and control of wireless devices and equipment.
- Establish procedures and implementation plans for auditing wireless connections to the network.
- Provide user training.

9.1.10 Responsibilities of Wireless and Handheld Device Users

- Coordinate all requests through Technology Department...
- Read and follow standards and guidelines.
- Access information systems using only approved wireless hardware, software, solutions and connections.
- Take appropriate measures to protect information, network access, passwords and equipment.
- Use approved password policy and bypass automatic password saving features.
- Use extreme caution when accessing PA information in open areas where non-authorized persons may see PA info (airport lounge, hotel lobby).
- Protect PA equipment and information from loss or theft at all times, especially when traveling.
- Keep current anti-virus software on devices.
- Use appropriate Internet behavior (e.g. approved downloads).
- Exercise good judgments in efficient cooperative uses of these resources and comply with current and future standards of acceptable use and conduct at all times.
- Report any misuse of wireless devices, services or systems to management.

9.2 Paging Device Policy

9.2.1 Policy

The Port Authority obtains its paging services under governmental contracts. All orders for paging
Version 7.5 (RFP – PLACE TITLE OF RFP HERE)

service or equipment must be placed under these contracts. If the contract service provider cannot meet the paging requirements, a memorandum requesting approval to obtain paging service outside of the contract's must be sent to the Chief Technology Officer.

9.3 Cellular Phone & Wireless Modem Policy and Procedures

9.3.1 Policy

The Port Authority obtains cellular service under governmental contracts. All orders for cellular service or equipment must be placed under these contracts. If the contract service provider cannot meet the requirements, a memorandum requesting approval to obtain cellular service outside of the contracts must be sent to the Chief Technology Officer.

9.4 Technology Services Mobile Device (Windows Mobile and Apple) Policy

9.4.1 Introduction

Mobile devices are a class of handheld computers that currently offer limited functionality with compact size and portability. Mobile devices are designed to replace the paper organizer; functionality typically includes maintaining a date book, address list, to-do lists, email, etc. Additional functionality such as Word and Excel are already included in many Mobile devices, with further enhancements predicted.

In order to better serve the PA, and to limit the expense of supporting a wide variety of Mobile device hardware and software, Technology Services will support the use of the Windows and Apple IOS based devices.

With a Mobile device, a user can maintain their calendar, address book, to-do list, and e-mail on a platform that is very portable and easy to use. Integration with Outlook makes it possible for users to keep identical, synchronized copies of data on both the desktop application and the Mobile devices.

9.4.2 Hardware – Hyper Link

Manufacturers using the current Windows Mobile or Apple IOS software are supported.

9.4.3 Software

The current version of Windows Mobile or Apple IOS software are supported. Microsoft ActiveSync is used for connecting to the corporate E-Mail system.

Any software found to interfere with normal operation must be uninstalled in order to receive support from Technology Services.

9.4.4 Support

Support for Mobile devices hardware and software is provided by Technology Services through the Customer Support Desk. TD will support the physical hardware connection (PDA cradle to PC) and software to support this connection. No software can be added to company owned mobile devices without TD's assistance and Chief Technology Officer approval.

9.4.5 Training

Training will be available covering basic mobile devices use and integration with Outlook at the time of installation of the equipment. Training classes for the mobile devices may be provided in the future depending on user demands.

9.4.6 Acquisition

The PA will purchase Mobile devices for employees with a business need for the mobile device. Employees are responsible for obtaining management approval. TD also recommends that a protective case (preferably a zippered case) be purchased to reduce damage to the

units.

Since the PA owns the device, if an employee leaves the PA, the device is returned to the director's office of their department.

9.4.7 Personal Acquisition

Employees, who purchase their own mobile devices, will not be allowed to connect to the PA corporate network or equipment, unless approved by Technology Services.

Customer Support Desk personnel will support all PA owned and authorized mobile devices.

9.4.8 Data Security Considerations

Since in most cases the data residing on a mobile device is not encrypted or password-protected, data can be easily browsed by anyone having possession of the device. Users should carefully consider what type of information they store on their mobile. Extreme caution should be taken when using company confidential data on the mobile units.

All mobile devices accessing corporate resources should be password protected.

At the present time, Technology Services is researching options for encrypting mobile data using a third-party application. Until a solution is found, great care should be taken to ensure that important or confidential information does not end up in the wrong hands.

9.4.9 Data Backup

Though it does not happen often, it is possible to lose, damage or duplicate the data that resides in the mobile devices and PC applications. Technology Services will provide assistance in attempting to recover files or data from data corruption.

9.5 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.

9.6 BlackBerry Guidelines

9.6.1 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.

9.6.2 Support

Support for BlackBerry devices is provided by Technology Services through the Customer Support Desk. The Customer Services/PMO Group provides additional support as needed.

9.6.3 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 Support 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.

9.6.4 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.

9.6.5 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

Appendix 2 -- Communication Rooms/Closets Standards

SPACE

All data communication rooms must be designed with required and estimated space to meet immediate requirements, as well as, future growth.

ENVIRONMENTAL

The following conditions must be met:

- a) Doorways/Entrances must be designed to support at least the minimum space requirements of 90"Hx72" Wx60" D.
- b) The room's cooling capabilities must be sufficient to support the heat dissipation requirements for the equipment. This requirement will be measured in minimum and maximum BTUs powered by AC-powered systems. Equipment specs will be supplied by TD upon request.
- c) Backup UPS systems are necessary to avoid equipment damage in case of site power failure.
- d) Telco demarcs must be located in a central location with sufficient space to house Telco termination equipment.
- e) The room should be designed with the appropriate fire safety regulations such as a sprinklers, pre-action of FM 2000 systems.
- f) Cables trays must also be installed in the communications room ceiling where appropriate, to support the routing of data communications and Telco cables.
- g) Basic 24"W/30"D/84"H cabinets with 19" racks must be installed to house communications equipment such as: routers, switches, hubs, DSUs/CSUs and monitors.
- h) To create more wall space the use of wall mount racks can be installed. Appropriate sized plywood must be installed prior to mounting racks.
- i) Category 5e/6 cable must be terminated in wall/rack mounted patch panel.
- j) Fiber patch panel must be installed in fiber IDF panel with SC female interface.
- k) The fiber must be neatly tie wrapped and enclosed in flexible inner-duct.
- l) Telephone access must be installed in the appropriate location to provide for basic troubleshooting and vendor support.
- m) All communications equipment and cabinets must have ample room for easy access and proper ventilation.

Appendix 3 - Standard Cabling Schemes

- a) Teflon-coated cables will be installed per fire code regulations.
- b) Overhead cable trays and drop post must be installed for cable routing.
- c) Cabling scheme must be used to label and identify all cables. All cables must be neatly tie-wrapped.

Appendix 4 -- Unified Wiring Plan

To satisfy existing and future voice and data communications requirements, while minimizing the need for wiring changes and additions, the Port Authority has adopted the following lateral wiring specifications for all workstations being constructed. This plan is applicable to all PA locations, except when specifically noted.

LATERAL CABLE:

Voice and data telecommunications requirements for each workstation will be provided by a combination of three individual cables, installed between the workstation and the serving telephone closet / intermediate distribution frame (IDF), in a "home run" configuration. All cabling installed will be of plenum type, fire retardant (FEP) rated.

Cable specifications:

(3) Cables capable of supporting Category 5e capabilities as outlined in the TIA/EIA-568-B.2 standard. Specifically:

Gauge: 24 AWG Pair

Size: 4

Insulation: Plenum, fire code rating (FEP)

Cable allocations will be as following:

Cable #1: Voice** Cable

#2: Data

Cable #3: Data

- *100.0MHz is the speed the PA wants to deliver to the desktop.
- **Cable #1 is to be split in the workstation to support 2 telephones.

Technical specs for the Cat 5e cable is as follows

TECHNICAL DATA - ELECTRICAL

Frequency MHz	Horizontal		Patch	
	Attenuation dB/100 m max.	Next dB min.	Attenuation dB/100 m max.	Next dB min.
1	2	62.3	2.4	62.3
4	4.1	53.2	4.9	53.2
10	6.5	47.3	7.8	47.3
16	8.2	44.2	9.8	44.2
20	9.3	42.7	11.1	42.7
31.25	11.7	39.8	14.1	39.8
62.5	17	34.3	20.4	34.3
100	22	32.3	26.4	32.3

TECHNICAL DATA--PHYSICAL

	CMR	CMP	CM (Patch)*
	0.02	20	24
Conductor diameter-in. (mm)	-0.52	-0.52	-0.61
Cable diameter-in. (mm)	0.195 -5	165 -4.2	215 -5.5
Nominal cable weight-lb./kft. (kg/km)	21 (31)	21 (31)	23 (34.2)
Max. installation tension-lb. (N)	25 -110	25 -110	25 -110
Min. bend radius-in. (mm)	1 -25.4	1 -25.4	1 -25.4

* Patch cables utilize stranded tinned copper conductors

PARAMETRIC MEASUREMENTS		
	Horizontal	Patch
Mutual Capacitance	4.6 nF/100 m nom.	5.6 nF/100 m nom.
DC resistance	9.38 Ohms/100 m max.	9.09 Ohms/100 m max.
Skew	45 ns/100 m max.	45 ns/100 m max.
Velocity of Propagation	72% nom. Non Plenum	72% nom.
Input Impedance	100 + 15% 0.7772-100 MHz	100 + 15% 0.772-100MHz
	ISO/IEC 11801	

COLOR CODE			TEMPERATURE RATING	
Pair 1	White/Blue	Blue	Installation	0 degrees C to +50
Pair 2	White/Orange	Orange	Operation	-10 degrees C to +60
Pair 3	White/Green	Green		
Pair 4	White/Brown	Brown		

Appendix 5 -- Telephone Closet / IDF Termination Blocks

Lateral Data cabling serving each workstation will be terminated on a CAT5e/6 patch panel (RJ45 face, 110 punch rear) in the telephone closet. For analog phone service, termination is to be on 110 blocks in telephone closet, allowing access to the telephone riser. For data, a patch cord is installed between patch panel and IT device. The patch panel can be mounted on the wall with a wall mount kit or in a rack if one is needed and should be appropriately numbered with the workstation number. The patch panel must be capable of supporting Category 5e/6 the TIA/EIA-568-B.2 standard. The patch panel shall have a swing away faceplate or rack mountable.

NOTE: The Category 5e/6 patch panel should be equivalent to the AMP SL series 110Connect Category 5e/6 patch panel or approved Category 6 patch panel. The number of ports may vary.

Each workstation shall be assigned a unique station identification number.

Appendix 6 -- Workstation Jacks

Workstations will be equipped with various components of the AMP Communications Outlet system (AMP equivalent can be used with TD approval). Each workstation will be installed with (1) double-gang jack housing box and matching face plate, capable of securely mounting three Category 5e cables or Category 6 and four modular data connectors, maintaining the integrity of category 5e/ Category 6 capabilities as outlined in the TIA/EIA-568-B.2 standard. All workstation jacks will be wired in accordance with the TIA/EIA-568-B.2 standard. All modular jacks are to be labeled in accordance with TD number schema.

Appendix 7 -- Standard Switches Inside the Department

Any switches in the following Cisco series are acceptable (Vendors will consult with the Technology Department (TD) to determine the appropriate switch configuration at the time of proposal submission):

- Cisco 3000 series – low capacity
- Cisco 4000 series – medium capacity
- Cisco 6000 series – high capacity
- Cisco Nexus 7000 series – high capacity

Appendix 8 -- Workstation and Lateral Cable Identification Management

WORKSTATION AND LATERAL CABLE IDENTIFICATION/MANAGEMENT (Facility)

All lateral cabling installed to workstations at the Port Authority Facilities must be designated in accordance with the Port Authority's workstation and lateral cable identification code: This code consists of two elements, as follows:

- 1 - Room number or department name (acronyms are acceptable).
- 2 - Workstations (3 numeric digits)

The cable identification code for Workstation 10 in room 3801 at LGA CTB is 3801-010. The cable identification code for Workstation 15 in PA Automotive shop is Auto-015

Appendix 9 – Fiber Optic Specification for Network Services - PAWANET

General Scope of Work

1. Conduct a walk thru based on the specific Scope of Work for the job in question.
2. Note that all diagrams and or sketches that may be provided are approximates and not to scale.
3. All fiber optic cable is to be installed in rigid conduit or, where applicable, in plenum rated flexible inner duct.
4. Contractor shall furnish and install fiber optic cable as designated in the specific Scope of Work.
5. Fiber optic cable type for interoffice use shall be loose tube, with aramid yarn water block:
 - Singlemode Fiber – 8.3/125/250 micron diameter (core/cladding/coating) manufactured by General Cable or approved equal.
6. Fiber optic cable attenuation from the factory, before installation, shall not exceed:
 - Singlemode – 4db per km @ 1310nm/.3 db per km @ 1550nm
7. All fiber optic cable is to be labeled on each end and at any junction or patch panel with, 28 gauge, 2" wide embossed with ¼" high letters. The labels are to be fastened to the fiber optic cable using sealed wrap around labels or pliable Velcro ties.
8. Fiber optic cable shall be installed in accordance with the manufacturer's specifications. Any portion of the cable damaged during installation will be repaired or replaced by the contractor without any additional cost to the Port Authority of New York New Jersey.

Fiber Optic Terminations

1. Fiber optic terminations will use **SC** connectors unless otherwise specified in the Scope of Work.
2. Fiber optic terminations shall not yield more than 1db per mated (at the bulkhead) connector.

Fiber Optic Testing

1. Fiber optic testing shall be performed by the contractor and certified fiber optic technicians.

Fiber optic technicians will be prepared to complete test procedures with the following equipment:

- Source and power meter testing to provide optical loss measurements.
 - Reference test cables and mating adapters that match the cables to be tested.
 - Cleaning materials – lint free cleaning wipes and pure alcohol.
 - OTDR test set with the proper launch cables and adapter types.
 - Power loss testing from both ends.
2. Fiber optic technicians will perform OTDR test on all terminated fibers unless otherwise noted in the Scope of Work.
 3. Fiber optic test results shall be recorded, and reports provided to the PA in hardcopy and via a readable txt file (PDF or RTF is acceptable).

Appendix 10 -- Public Telephone Ordering Guidelines

Technology Services (TD) staff is responsible for the management of the permit for public telephone service are available to answer any questions and provide direction for any matter relating to public telephones.

General Guidelines

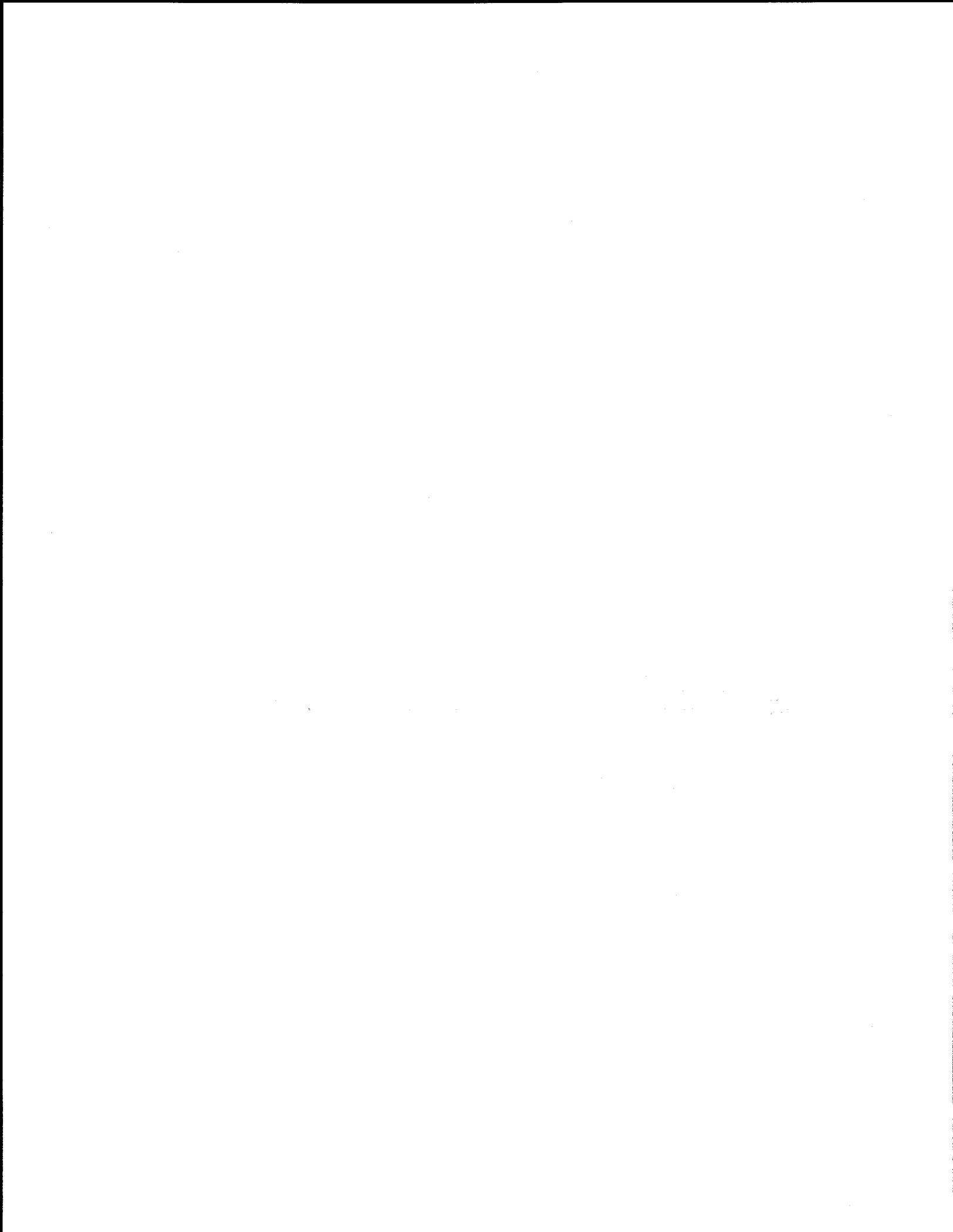
All public telephone requests – that is both coin and non coin in any Port Authority space or any area of the tenant space – both “public” and “club” locations will be coordinated by the Port Authority to cover both New York and New Jersey.

Process

When the Facility, Property Manager, tenant or their representative (e.g. designer, architect, general contractor) has a public telephone requirement, they will contact the Technology Department (TD) whom will review the request and provide coordination with the appropriate service provider.

ATTACHMENT J: FEMA REQUIREMENTS

See following pages



FEDERAL EMERGENCY MANAGEMENT AGENCY REQUIREMENTS

1.	DEFINITIONS	1
2.	INCORPORATION OF FEDERAL EMERGENCY MANAGEMENT AGENCY TERMS	1
3.	FEDERAL CHANGES.....	1
4.	NO FEDERAL GOVERNMENT OBLIGATIONS TO THIRD PARTIES.....	1
5.	ORGANIZATIONAL CONFLICT OF INTEREST	2
6.	CERTIFICATION - DEBARMENT AND SUSPENSION.....	3
7.	CERTIFICATION - LOBBYING RESTRICTIONS –CONTRACTS EXCEEDING \$100,000.....	4
8.	ACCESS TO RECORDS AND REPORTS	11
9.	CIVIL RIGHTS	12
10.	DAVIS-BACON AND COPELAND ANTI-KICKBACK ACTS – CONTRACTS EXCEEDING \$2000	13
11.	CONTRACT WORK HOURS AND SAFETY STANDARDS ACT	21
12.	ENERGY CONSERVATION.....	22
13.	CLEAN WATER REQUIREMENTS – CONTRACTS EXCEEDING THE SIMPLIFIED ACQUISITION THRESHOLD ..	22
14.	CLEAN AIR REQUIREMENTS – CONTRACTS EXCEEDING THE SIMPLIFIED ACQUISITION THRESHOLD	23
15.	FLY AMERICA.....	23
16.	PREFERENCE FOR RECYCLED PRODUCTS	23
17.	PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS.....	23
18.	ADA ACCESS REQUIREMENTS	24
19.	TERMINATION FOR CAUSE OR CONVENIENCE – CONTRACTS EXCEEDING \$10,000.....	24
20.	CHANGES TO THE CONTRACT.....	24
21.	FEDERAL COST PRINCIPLES.....	24
22.	REPORTING	24
23.	PATENTS.....	25
24.	COPYRIGHTS	25
25.	BUY AMERICAN REQUIREMENTS (IF APPLICABLE)	25
	CERTIFICATION REGARDING LOBBYING PURSUANT TO 31 U.S.C. 1352	26
	STANDARD FORM LLL - DISCLOSURE OF LOBBYING ACTIVITIES.....	27
	INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES ..	28
	CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION - LOWER TIER COVERED TRANSACTIONS	30
	INSTRUCTIONS FOR COMPLETION OF CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION -LOWER TIER COVERED TRANSACTIONS	31

1. DEFINITIONS

To avoid undue repetition, the following terms, as used within these "FEDERAL EMERGENCY MANAGEMENT REQUIREMENTS," shall be construed as follows:

"Agreement" means "Contract."

"Simplified Acquisition Threshold" means the dollar amount below which a non-Federal entity may purchase property or services using small purchase methods. The Simplified Acquisition Threshold is set by the Federal Acquisition Regulation at 48 CFR Subpart 2.1 (Definitions) and in accordance with 41 U.S.C. 1908.

2. INCORPORATION OF FEDERAL EMERGENCY MANAGEMENT AGENCY TERMS

This Agreement is anticipated to be partially funded by the Federal Emergency Management Agency ("FEMA").

Anything to the contrary herein notwithstanding, all FEMA-mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this Contract. The Contractor shall not perform any act, fail to perform any act, or refuse to comply with any Authority requests that would cause the Authority to be in violation of the FEMA terms and conditions.

All federal laws and regulations applicable to the receipt of FEMA grants, including, but not limited to those remedies set forth in Title 44 of the Code of Federal Regulations, Part 13 ("44 C.F.R. 13") shall be deemed to be inserted herein and the Contract shall be read and enforced as though it were included herein. If any provision of this Contract shall be such as to effect non-compliance with any FEMA requirement, such provision shall not be deemed to form part hereof, but the balance of this Contract shall remain in full force and effect.

3. FEDERAL CHANGES

The Contractor shall at all times comply with all applicable FEMA regulations, policies, procedures and directives, as they may be amended or promulgated from time to time during the term of this Contract. Contractor's failure to so comply shall constitute a material breach of this Contract. The most recent Federal laws, regulations, policies, and administrative practices apply to this Contract at any particular time, unless FEMA issues a written determination otherwise. All standards or limits are minimum requirements, unless modified by the FEMA.

4. NO FEDERAL GOVERNMENT OBLIGATIONS TO THIRD PARTIES

The Authority and the Contractor acknowledge and agree that, notwithstanding any concurrence by the Federal Government in or approval of the solicitation or award of the underlying contract, absent the express written consent by the Federal Government, the Federal Government is not a party to this Contract and shall not be subject to any obligations or liabilities to the Authority,

FEMA Requirements

Contractor, or any other party (whether or not a party to that contract) pertaining to any matter resulting from the underlying contract.

The Contractor agrees to include the above clause in each subcontract. It is further agreed that the clause shall not be modified, except to identify the subcontractor who will be subject to its provisions.

5. ORGANIZATIONAL CONFLICT OF INTEREST

- A. This Contract may give rise to a potential for an organizational conflict of interest. An organizational conflict of interest exists when the nature of the work to be performed under the contract may, without some form of restriction on future activities; result in an unfair competitive advantage to the Contractor.
 - 1.) The Contractor shall have access to confidential and/or sensitive Authority information in the course of contract performance. Additionally, the Contractor may be provided access to proprietary information obtained from other contracted entities during contract performance. The Contractor agrees to protect all such information from disclosure unless so authorized, in writing, by the Authority and to refrain from using such information for any purpose other than that for which it was furnished.
 - 2.) To the extent that the Contractor either (a) uses confidential and/or sensitive Authority information or proprietary information obtained from other Authority contractors to develop any form of document, report, or plan that is determined by the Authority to be the basis, in whole or in part, of any subsequent solicitation issued by the Authority or (b) develops written specifications that are used in any subsequent solicitation issued by the Authority, the Contractor agrees that it shall not be eligible to compete for such subsequent solicitation(s) as a prime or principal contractor or as part of any teaming arrangement unless the Authority provides, in writing, a specific waiver of this restriction. The duration of any restriction imposed under this subparagraph shall not exceed the length of the initial performance period of any subsequently awarded contract for which the Contractor was ineligible to compete.
- B. The Contractor, by submitting its bid or proposal, agrees to the above stated conditions and terms and further agrees to perform all duties under the contract and, in doing so, not to enter into contractual agreements with Authority prime contractors and first-tier subcontractors in such a way as to create an organizational conflict of interest.
- C. If the Authority determines that the Contractor has violated any term of this numbered clause, the Authority may take any appropriate action available under the law or regulations to obtain redress to include, but not be limited to, requiring the Contractor to terminate any affiliation or contractual arrangement with an

FEMA Requirements

Authority prime contractor or first-tier subcontractor at no cost to the Authority; determining the Contractor ineligible to compete for or be awarded any subsequent or "follow-on" contracts that may be based upon the Contractor's actions under this Contract or violations of this numbered clause, or terminating this Contract, in whole or in part.

6. CERTIFICATION - DEBARMENT AND SUSPENSION

This Contract is a covered transaction for purposes of 2 C.F.R. Parts 180 and 3000. As such, the Contractor is required to verify that none of the Contractor, its principals, as defined at 2 C.F.R. 180.995, or affiliates, as defined at 2 C.F.R. 180.905, are excluded or disqualified as defined at 2 C.F.R. 180.935 and 180.940.

The Contractor is required to comply with 2 C.F.R. 180, Subpart C and must include the requirement to comply with 2 C.F.R. 180, Subpart C in any lower tier covered transaction it enters into.

By signing and submitting its bid or proposal, the proposer certifies as follows:

The certification in this clause is a material representation of fact relied upon by the Port Authority of New York and New Jersey. If it is later determined that the proposer knowingly rendered an erroneous certification, in addition to remedies available to the Port Authority of New York and New Jersey, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment. The proposer agrees to comply with the requirements of 2 C.F.R. 180, Subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

- A. Each potential Contractor, for major third party contracts, is required to complete a certification entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion" for itself and its principals and requires each Subcontractor or Supplier (for Subcontracts and Supplier agreements expected to equal or exceed \$25,000) to complete a certification entitled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tiered Covered Transactions" for itself and its principals. Copies of the required Certification forms and accompanying instructions are set forth following the last paragraph of these requirements.
- B. In the event that the Contractor has certified prior to award that it is not proposed for debarment, debarred, suspended, or voluntarily excluded from covered transactions by any Federal Department or agency and such certification is found to be false, this Contract may be canceled, terminated or suspended by the Authority and the Contractor will be liable for any and all damages incurred by the Authority because of such cancellation, termination or suspension because of such false certification.

FEMA Requirements

- C. The Contractor shall obtain certifications from all known potential Subcontractors and Suppliers (for which payments are expected to equal or exceed \$25,000) and submit such certifications to the address set forth in E below.
- D. Prior to the award of any Subcontracts or Supplier agreements expected to equal or exceed \$25,000, regardless of tier, any prospective Subcontractor or Supplier who has not previously submitted a certification for this Contract must execute and submit to the Contractor a certification in the form set forth following the last paragraph of these requirements which will be deemed a part of the resulting Subcontract and Supplier agreement.
- E. The originals of any Certifications or correspondence relating hereto shall be sent by the Contractor to the Chief Procurement Officer, Two Montgomery Street, 3rd Floor, Jersey City, NJ, 07302.
- F. The Contractor shall not knowingly enter into any Subcontracts or Supplier agreements with a person that is proposed for debarment, debarred, suspended, declared ineligible or voluntarily excluded from covered transactions.
- G. The Contractor and its Subcontractors or Suppliers required to file the certification have a continuing duty to disclose, and shall provide immediate written notice to the Authority if, at any time, it learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

7. CERTIFICATION - LOBBYING RESTRICTIONS - CONTRACTS EXCEEDING \$100,000

- A. Definitions as used in this Clause:
 - 1.) "Agency," as defined in 5 U.S.C. 552(f), includes Federal executive departments and agencies as well as independent regulatory commissions and Government corporations, as defined in 31 U.S.C. 9101(1). As used in the Certification set forth following the last paragraph of these requirements, it also includes any other public agency.
 - 2.) "Covered Federal action" means any of the following Federal actions:
 - a. The awarding of any Federal contract;
 - b. The making of any Federal grant;
 - c. The making of any Federal loan;
 - d. The entering into of any cooperative agreement; and
 - e. The extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement. As used in the

FEMA Requirements

above referenced Certification, it includes the award of the contract with which it is associated.

- 3.) "Indian tribe" and "tribal organization" have the meaning provided in Section 4 of the Indian Self Determination and Education Assistance Act (25 U.S.C. 450B). Alaskan natives are included under the definitions of Indian tribes in that Act.
- 4.) "Influencing or attempting to influence" means making, with the intent to influence, any communication to or appearance before an officer or employees of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any covered Federal action.
- 5.) "Local government" means a unit of government in a State and, if chartered, established, or otherwise recognized by a State for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government. It also includes a bi-state agency.
- 6.) "Officer or employee of an agency" includes the following individuals who are employed by an agency:
 - a. An individual who is appointed to a position in the Government under title 5, United States Code, including a position under a temporary appointment;
 - b. A member of the uniformed services as defined in section 101(3), title 37, United States Code;
- 7.) A special government employee as defined in Section 202, title 18, United States Code;
 - a. An individual who is a member of a Federal advisory committee, as defined by the Federal Advisory Committee Act, Title 5, United States Code Appendix 2; and
 - b. An employee of a bi-state agency.
- 8.) "Person" means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit or not for profit. This term excludes an Indian tribe, tribal organization, or any other Indian Organization with respect to expenditures specifically permitted by other Federal law.
- 9.) "Reasonable Compensation" means, with respect to a regularly employed officer or employee of any person, compensation that is consistent with the

FEMA Requirements

normal compensation for such officer or employee for work that is not furnished to, not funded by, or not furnished in cooperation with the Federal Government.

- 10.) "Reasonable Payment" means, with respect to professional and other technical services, a payment in an amount that is consistent with the amount normally paid for such services in the private sector.
- 11.) "Recipient" includes all contractors and subcontractors at any tier in connection with a Federal Contract. The term excludes an Indian Tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.
- 12.) "Regularly Employed" means, with respect to an officer or employee of a person requesting or receiving a Federal Contract, an officer or employee who is employed by such person for at least one hundred and thirty (130) working days within one (1) year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract. An officer or employee who is employed by such person for less than one hundred and thirty (130) working days within one (1) year immediately preceding the date of the submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for one hundred and thirty (130) working days.
- 13.) "State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, an agency or instrumentality of a State, and a multi-state, regional, or interstate entity having governmental duties and powers.

B. Prohibition

- 1.) Section 1352 of Title 31, United States Code provides in part that no appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract; the making of any Federal grant; the making of any Federal loan; the entering into of any cooperative agreement; and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement. For the purposes of the Certification included herein following the last paragraph of these requirements, it includes the award of the associated contract.
- 2.) The prohibition does not apply as follows:

FEMA Requirements

- a. Agency and legislative liaison by own employees.
 - (i) The prohibition on the use of appropriated funds, in subparagraph B.1.) of this Section, does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract or the contract associated with the certification if the payment is for agency and legislative liaison activities not directly related to a covered Federal Action.
 - (ii) For purposes of subparagraph B. 2.) a.(i) of this Section, providing any information specifically requested by an agency or Congress is allowable at any time.
 - (iii) For purposes of subparagraph B. 2.) a.(i) of this Section, the following agency and legislative liaison activities are allowable at any time only where they are not related to specific solicitation for any covered Federal action.
 - (a.) Discussing with an agency (including individual demonstrations) the qualities and characteristics of the person's products or services, conditions or terms of sales and service capabilities; and,
 - (b.) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.
 - (iv) For purposes of paragraph B. 2)a.(i) of this Section, the following agency and legislative liaison activities are allowable only where they are prior to formal solicitation of any covered Federal action:
 - (a.) Providing any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered Federal action;
 - (b.) Technical discussions regarding the preparation of an unsolicited proposal prior to its official submission; and
 - (c.) Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Public Law 95-507 and other subsequent amendments.
 - (v) Only those activities expressly authorized by subparagraph B. 2)a. of this Section are allowable under subparagraph B. 2)a.

FEMA Requirements

- b. Professional and Technical Services by Own Employees.
- (i) The prohibition on the use of appropriated funds, in subparagraph B. of this Section, does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract or an extension, continuation, renewal, amendment, or modification of a Federal contract or the contract associated with the certification if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that contract or for meeting requirements imposed by or pursuant to law as a condition for receiving that contract.
 - (ii) For purposes of subparagraph B. 2.) b. (i) of this Section, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline. For example, drafting of a legal document accompanying a bid or proposal by a lawyer is allowable. Similarly, technical advice provided by an engineer on the performance or operational capability of a piece of equipment rendered directly in the negotiation of a contract is allowable. However, communications with the intent to influence made by a professional (such as a licensed lawyer) or a technical person (such as a licensed accountant) are not allowable under this Section unless they provided advice and analysis directly applying their professional or technical expertise and unless the advice or analysis is rendered directly and solely in the preparation, submission or negotiation of a covered Federal action. Thus, for example, communications with the intent to influence made by a lawyer that do not provide legal advice or analysis directly and solely related to the legal aspects of his or her client's proposal, but generally advocate one proposal over another are not allowable under this Section because the lawyer is not providing professional legal services. Similarly, communications with the intent to influence made by an engineer providing an engineering analysis prior to the preparation or submission of a bid or proposal are not allowable under this Section since the engineer is providing technical services but not directly in the preparation, submission or negotiation of a covered Federal action.
 - (iii) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.
 - (iv) Only those services expressly authorized by subparagraph B. 2.) b. this Section are allowable under subparagraph B. 2.) b.

FEMA Requirements

c. Reporting for Own Employees.

No reporting is required with respect to payments of reasonable compensation made to regularly employed officers or employees of a person.

d. Professional and Technical Services by Other than Own Employees.

- (i) The prohibition on the use of appropriated funds, in subparagraph B. 1.) of this Section, does not apply in the case of any reasonable payment to a person, other than an officer or employee of a person requesting or receiving a covered Federal action, if the payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal contract or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal contract.
- (ii) For purposes of subparagraph B. 2.) d. (i) of this Section, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline. For example, drafting of a legal document accompanying a bid or proposal by a lawyer is allowable. Similarly, technical advice provided by an engineer on the performance or operational capability of a piece of equipment rendered directly in the negotiation of a contract is allowable. However, communications with the intent to influence made by a professional (such as a licensed lawyer) or a technical person (such as a licensed accountant) are not allowable under this Section unless they provided advice and analysis directly applying their professional or technical expertise and unless the advice or analysis is rendered directly and solely in the preparation, submission or negotiation of a covered Federal action. Thus, for example, communications with the intent to influence made by a lawyer that do not provide legal advice or analysis directly and solely related to the legal aspects of his or her client's proposal, but generally advocate one proposal over another are not allowable under this Section because the lawyer is not providing professional legal services. Similarly, communications with the intent to influence made by an engineer providing an engineering analysis prior to the preparation or submission of a bid or proposal are not allowable under this Section since the engineer is providing technical services but not directly in the preparation, submission or negotiation of a covered Federal action.
- (iii) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.

FEMA Requirements

- (iv) Persons other than officers or employees of a person requesting or receiving a covered Federal action include consultants and trade associations.
- (v) Only those services expressly authorized by subparagraph B. 2.) d. of this Section are allowable under subparagraph B. 2.) d.

C. Disclosure

- 1.) Each person who requests or receives from the Authority a Contract with Federal assistance shall file with the Authority a certification entitled "Certification Regarding Lobbying Pursuant to 31 U.S.C. 1352," as set forth in the form that follows these requirements, that the person has not made, and will not make, any payment prohibited by subparagraph B. of this Clause. Each person who requests or receives from the Authority a Contract with Federal assistance shall file with the Authority a disclosure form entitled "Disclosure of Lobbying Activities Pursuant to 31 U.S.C. 1352" (Standard Form-LLL), as set forth in the form that follows these requirements, if such person has made or has agreed to make any payment using non-appropriated funds (to include profits from any covered Federal action), which would be prohibited under subparagraph B. of this Clause if paid for with appropriated funds.
- 2.) Each person shall file a disclosure form at the end of each calendar quarter in which there occurs any event that requires disclosure or that materially affects the accuracy of the information contained in any disclosure form previously filed by such person under subparagraph C.2) of this Section. An event that materially affects the accuracy of the information reported includes:
 - a. A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered Federal action; or
 - b. A change in the person(s) or individual(s) influencing or attempting to influence a covered Federal action; or
 - c. A change in the officer(s), employee(s), or Member(s) contacted to influence or attempt to influence a covered Federal action.
- 3.) Any person who requests or receives from a person referred to in subparagraph C.1) of this Section a subcontract exceeding \$100,000 at any tier under a Federal contract shall file a certification, and a disclosure form, if required, to the next tier above.
- 4.) All disclosure forms, but not certifications, shall be forwarded from tier to tier until received by the person referred to in subparagraph C.1) of this Section. That person shall forward all disclosure forms to the Authority.

D. Agreement

- 1.) In accepting any contract resulting from this solicitation, the person submitting the offer agrees not to make any payment prohibited by this Clause.

E. Penalties

- 1.) Any person who makes an expenditure prohibited under subparagraph A of this Clause shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure.
- 2.) Any person who fails to file or amend the disclosure form to be filed or amended if required by the Clause, shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.
- 3.) Contractors may rely without liability on the representations made by their Subcontractors in the certification and disclosure form.

F. Cost Allowability

Nothing in this Clause is to be interpreted to make allowable or reasonable any costs which would be unallowable or unreasonable in accordance with Part 31 of the Federal Acquisition Regulation. Conversely, costs made specifically unallowable by the requirements in this Clause will not be made allowable under any of the provisions of Part 31 of the Federal Acquisition Regulation.

8. ACCESS TO RECORDS AND REPORTS

Pursuant to 44 C.F.R. 13.42 and 2 C.F.R. 215.53, the Contractor agrees to provide the Authority, the FEMA Administrator, the Comptroller General of the United States or any of their authorized representatives access to any books, documents, papers and records of the Contractor which are directly pertinent to this Contract for the purposes of making audits, examinations, excerpts and transcriptions. The Contractor also agrees to provide the FEMA Administrator or his authorized representatives access to the Contractor's records and construction sites pertaining to the project.

The Contractor agrees to provide the Authority, FEMA Administrator, the Comptroller General of the United States or any of their duly authorized representatives with access to any books, documents, papers and record of the Contractor, which are directly pertinent to this Contract for the purposes of making audits, examinations, excerpts and transcriptions.

The Contractor shall make available records related to the contract to the Authority, the FEMA Administrator and the Comptroller General or any authorized officer or employee of any of them for the purposes of conducting an audit and inspection.

FEMA Requirements

The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.

The Contractor agrees to maintain all books, records, accounts and reports required under this Contract for a period of not less than three (3) years after final payment is made by the Authority and all other pending matters are closed, except in the event of litigation or settlement of claims arising from the performance of this Contract, in which case the Contractor agrees to maintain same until the Authority, the FEMA Administrator, the Comptroller General, or any of their duly authorized representatives, have disposed of all such litigation, appeals, claims or exceptions related thereto.

This requirement is independent of the Authority's requirements for record retention contained elsewhere in the contract documents.

9. CIVIL RIGHTS

A. Nondiscrimination - In accordance with Title VI of the Civil Rights Act, as amended, 42 U.S.C. § 2000d, section 303 of the Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6102, and section 202 of the Americans with Disabilities Act of 1990, 42 U.S.C. § 12132, the Contractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, sex, age, or disability. In addition, the Contractor agrees to comply with applicable Federal implementing regulations and other implementing requirements FEMA may issue.

B. Equal Employment Opportunity - The following equal employment opportunity requirements may apply to the underlying contract and subsequent subcontracts:

- 1.) Race, Color, Creed, National Origin, Sex - (Construction contracts awarded in excess of \$10,000) - In accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e, and Department of Homeland Security regulations 6 C.F.R. § 21 and 44 C.F.R § 7, the Contractor agrees to comply with all applicable equal employment opportunity requirements of U.S. Department of Labor (U.S. DOL) regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 C.F.R. Parts 60 *et seq.*, (which implement Executive Order No. 11246, "Equal Employment Opportunity," as amended by Executive Order No. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," 42 U.S.C. § 2000e note), and with any applicable Federal statutes, executive orders, regulations, and Federal policies that may in the future affect construction activities undertaken in the course of the Project. The Contractor agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, national origin, sex, or age. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and

FEMA Requirements

selection for training, including apprenticeship. In addition, the Contractor agrees to comply with any implementing requirements FEMA may issue.

- 2.) Age - In accordance with section 4 of the Age Discrimination in Employment Act of 1967, as amended, 29 U.S.C. § 623, the Contractor agrees to refrain from discrimination against present and prospective employees for reason of age. In addition, the Contractor agrees to comply with any implementing requirements FEMA may issue.
- 3.) Disabilities - In accordance with section 102 of the Americans with Disabilities Act, as amended, 42 U.S.C. § 12112, the Contractor agrees that it will comply with the requirements of U.S. Equal Employment Opportunity Commission, "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 C.F.R. Part 1630, pertaining to employment of persons with disabilities. In addition, the Contractor agrees to comply with any implementing requirements FEMA may issue.

C. The Contractor also agrees to include these requirements in each subcontract related to this project, modified only if necessary to identify the affected parties.

10. DAVIS-BACON AND COPELAND ANTI-KICKBACK ACTS – CONTRACTS EXCEEDING \$2000

The Davis-Bacon and Copeland Acts are codified at 40 U.S.C 3141, *et seq.* (as supplemented by Department of Labor Regulations (29 C.F.R Part 5)) and 18 U.S.C 874. ~~The Acts apply to grantee construction contracts and subcontracts that~~ "at least partly are financed by a loan or grant from the Federal Government." 40 U.S.C 3145(a), 29 C.F.R. 5.2(h), 44 C.F.R. 13.36(i)(5). The Acts apply to any construction contract over \$2,000. 40 U.S.C 3142(a), 29 C.F.R. 5.5(a). 'Construction,' for purposes of the Acts, includes "actual construction, alteration and/or repair, including painting and decorating." 29 C.F.R. 5.5(a). The requirements of both Acts are incorporated into a single clause (*see* 29 C.F.R. 3.11) enumerated at 29 C.F.R. 5.5(a) and reproduced below and are applicable if this Contract is a construction contract (as delineated above) over \$2000, or over \$2500 if this Contract involves the employment of mechanics or laborers.

A. Minimum Wages

- 1.) All laborers and mechanics employed or working upon the site of the work (or under the United States Housing Act of 1937 or under the Housing Act of 1949 in the construction or development of the project), will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 C.F.R. Part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary

FEMA Requirements

of Labor which, if applicable, is attached hereto and made a part hereof (the attachment is the most current determination), regardless of any contractual relationship which may be alleged to exist between the Contractor and such laborers and mechanics. Determinations may change during the term of the Contract, and the wages and fringe benefits required by the most recent determination of the Secretary of Labor are those to be used.

Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (A)(4) of this Section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 C.F.R. Part 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classifications and wage rates conformed under paragraph (A)(2) of this Section) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the Contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

2.)

- a. The contracting officer shall require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The contracting officer shall approve an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:
 - (i) Except with respect to helpers as defined as 29 C.F.R. 5.2(n)(4), the work to be performed by the classification requested is not performed by a classification in the wage determination;
 - (ii) The classification is utilized in the area by the construction industry;
 - (iii) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination; and
 - (iv) With respect to helpers as defined in 29 C.F.R. 5.2(n)(4), such a classification prevails in the area in which the work is performed.
- b. If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree on the classification and wage rate (including the amount

FEMA Requirements

designated for fringe benefits where appropriate), a report of the action taken shall be sent by the contracting officer to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, DC 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

- c. In the event the Contractor, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the contracting officer shall refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.
 - d. The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs A (2) (b) or (c) of this Section, shall be paid to all workers performing work in the classification under this Contract from the first day on which work is performed in the classification.
- 3.) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the Contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.
 - 4.) If the Contractor does not make payments to a trustee or other third person, the Contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, provided that the Secretary of Labor has found, upon the written request of the Contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the Contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.
 - 5.)
 - a. The contracting officer shall require that any class of laborers or mechanics which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The contracting officer shall approve an additional classification and wage rate and fringe benefits therefor only when the following criteria have been met:

FEMA Requirements

- (i) The work to be performed by the classification requested is not performed by a classification in the wage determination;
 - (ii) The classification is utilized in the area by the construction industry; and
 - (iii) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.
- b. If the Contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by the contracting officer to the Administrator of the Wage and Hour Division, Employment Standards Administration, Washington, DC 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.
- c. In the event the Contractor, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the contracting officer shall refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination with 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.
- d. The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs A(2) (b) or (c) of this Section, shall be paid to all workers performing work in the classification under this Contract from the first day on which work is performed in the classification.

B. Withholding

The Authority shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld from the Contractor under this Contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the Contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work (or under the United States Housing Act

FEMA Requirements

of 1937 or under the Housing Act of 1949 in the construction or development of the project), all or part of the wages required by the contract, the Authority may, after written notice to the Contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

C. Payrolls and Basic Records

- 1.) Payrolls and basic records relating thereto shall be maintained by the Contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work (or under the United States Housing Act of 1937, or under the Housing Act of 1949, in the construction or development of the project). Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 C.F.R. 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the Contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

- 2.)
 - a. The Contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to the Authority for transmission to the Federal Emergency Management Agency. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under section 5.5(a)(3)(i) of Regulations, 29 C.F.R. part 5. This information may be submitted in any form desired. Optional Form WH-347 is available for this purpose and may be purchased from the Superintendent of Documents (Federal Stock Number 029-005-00014-1), U.S. Government Printing Office, Washington, DC 20402. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors.

FEMA Requirements

- b. Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the Contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:
 - (i) That the payroll for the payroll period contains the information required to be maintained under section 5.5(a)(3)(i) of Regulations, 29 C.F.R. part 5 and that such information is correct and complete;
 - (ii) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 C.F.R. part 3;
 - (iii) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.
 - c. The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph C(2)(b) of this Section.
 - d. The falsification of any of the above certifications may subject the Contractor or subcontractor to civil or criminal prosecution under section 1001 of title 18 and section 231 of title 31 of the United States Code.
- 3.) The Contractor or subcontractor shall make the records required under paragraph C(1) of this Section available for inspection, copying, or transcription by authorized representatives of the Federal Emergency Management Authority or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the Contractor or subcontractor fails to submit the required records or to make them available, the Federal agency may, after written notice to the Contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 C.F.R. 5.12.

D. Apprentices and Trainees

- 1.) Apprentices - Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Bureau of Apprenticeship and Training, or with a State

FEMA Requirements

Apprenticeship Agency recognized by the Bureau, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Bureau of Apprenticeship and Training or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the Contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a Contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the Contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator of the Wage and Hour Division of the U.S. Department of Labor determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Bureau of Apprenticeship and Training, or a State Apprenticeship Agency recognized by the Bureau, withdraws approval of an apprenticeship program, the Contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

- 2.) Trainees - Except as provided in 29 C.F.R. 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which

FEMA Requirements

provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the Contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

- 3.) Equal employment opportunity - The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 C.F.R. Part 30.

E. Compliance with Copeland Act Requirements

The Contractor shall comply with the requirements of 29 C.F.R. Part 3, which are incorporated by reference in this Contract.

F. Subcontracts

The Contractor or subcontractor shall insert in any subcontracts the clauses contained in 29 C.F.R. 5.5(a)(1) through (10) and such other clauses as the ~~Federal Emergency Management Agency may by appropriate instructions~~ require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 C.F.R. 5.5.

G. Contract Termination: Debarment

A breach of the contract clauses in 29 C.F.R. 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 C.F.R. 5.12.

H. Compliance with Davis-Bacon and Related Act Requirements

All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 C.F.R. parts 1, 3, and 5 are herein incorporated by reference in this Contract.

I. Disputes Concerning Labor Standards

FEMA Requirements

Disputes arising out of the labor standards provisions of this Contract shall not be subject to the general disputes clause of this Contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 C.F.R. parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the Contractor (or any of its subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

J. Certification of Eligibility –

- 1.) By entering into this Contract, the Contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the Contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 C.F.R. 5.12(a)(1).
- 2.) No part of this Contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 C.F.R. 5.12(a)(1).
- 3.) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

11. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT

The Contractor shall comply with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor regulations (29 C.F.R Part 5). The Contract Work Hours and Safety Standards Act applies to certain grantee contracts and subcontracts under 40 U.S.C 3701(b)(1)(B)(iii) and (b)(2), 44 C.F.R. 13.36(i)(6) for prime contracts for construction, and non-construction projects that employ "laborers or mechanics on a public work."

A. Overtime Requirements

No Contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

B. Violation; liability for unpaid wages; liquidated damages

In the event of any violation of the clause set forth in paragraph A of this Section the Contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such Contractor and subcontractor shall be liable to the United States for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph

FEMA Requirements

A of this Section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph A of this Section.

C. Withholding for unpaid wages and liquidated damages

The Authority shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the Contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph B of this Section.

D. Subcontracts

The Contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraphs A through D of this Section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs A through D of this Section.

12. ENERGY CONSERVATION

The Contractor agrees to comply with the mandatory energy efficiency standards and policies within the applicable State energy conservation plans issued in compliance with the Energy Policy and Conservation Act, 42 U.S.C. §6321 et seq. The Contractor also agrees to ensure that all work performed under this Contract including work performed by a Subcontractor is in compliance with the requirements of this Section.

13. CLEAN WATER REQUIREMENTS – CONTRACTS EXCEEDING THE SIMPLIFIED ACQUISITION THRESHOLD

- A. The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C §1251 et seq.
- B. The Contractor agrees to report each violation to the Authority and understands and agrees that the Authority will, in turn, report each violation as required to assure notification to FEMA and the appropriate EPA Regional Office.
- C. The Contractor also agrees to include the requirements of this Article in all subcontracts exceeding the Simplified Acquisition Threshold issued pursuant to this Contract.

14. CLEAN AIR REQUIREMENTS – CONTRACTS EXCEEDING THE SIMPLIFIED ACQUISITION THRESHOLD

- A. The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C §7401 et seq. The Contractor agrees to report each violation to the Authority and understands and agrees that the Authority will, in turn, report each violation as required to assure notification to FEMA and the appropriate EPA Regional Office.
- B. The Contractor also agrees to include the requirements of this Clause in all subcontracts exceeding the Simplified Acquisition Threshold, issued pursuant to this Contract.

15. FLY AMERICA

The Federal Government will not participate in the costs of international air transportation of any persons involved in or property acquired for this Contract unless that air transportation is provided by U.S.-flag air carriers to the extent service by U.S.-flag air carriers is available, in accordance with the International Air Transportation Fair Competitive Practices Act of 1974, as amended, 49 U.S.C. § 40118, and with U.S. GSA regulations, "Use of United States Flag Air Carriers," 41 C.F.R. §§ 301-10.131 through 301-10.143.

16. PREFERENCE FOR RECYCLED PRODUCTS

The Contractor agrees to comply with all the requirements of Section 6002 of the Resource Conservation and Recover Act (RCRA), as amended (42 U.S.C. 6962); including but not limited to the regulatory provisions of 40 C.F.R. Part 247, and Executive Order 12873, as they apply to the procurement of the items designated in Subpart B of 40 C.F.R. Part 247.

17. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS

- A. The Contractor acknowledges that the provisions of the Program Fraud Civil Remedies Act of 1986, as amended, 31 U.S.C. § 3801 *et seq.* and U.S. DHS regulations, "Program Fraud Civil Remedies," 6 C.F.R. Part 13, apply to its actions pertaining to this Project. The Contractor certifies or affirms the truthfulness and accuracy of any statement it has made, it makes, it may make, or causes to be made, pertaining to the contract or project. In addition to other penalties that may be applicable, the Contractor further acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification, the Federal Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act of 1986 on the Contractor to the extent the Federal Government deems appropriate.

FEMA Requirements

- B. The Contractor also acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government under this Contract, financed in whole or in part with Federal assistance, the Federal Government reserves the right to impose the penalties of 18 U.S.C. § 1001 in addition to any other remedies available under law on the Contractor, to the extent the Federal Government deems appropriate.
- C. The Contractor agrees to include the above two clauses in each subcontract related to this Contract. It is further agreed that the clauses shall not be modified, except to identify the subcontractor who will be subject to the provisions.

18. ADA ACCESS REQUIREMENTS

Facilities must comply with 42 U.S.C. Sections 12101 *et seq.*

19. TERMINATION FOR CAUSE OR CONVENIENCE – CONTRACTS EXCEEDING \$10,000

Notwithstanding anything to the contrary elsewhere within this Contract, the Authority may terminate this contract, in whole or in part, at any time by written notice to the Contractor for cause or when it is in the Authority's best interest, pursuant to 44 C.F.R. 13.36 (i)(2). In the event of termination for convenience, the Contractor shall be paid its costs, including contract close-out costs, as so provided for in the Contract, on work performed up to the time of termination for convenience.

20. CHANGES TO THE CONTRACT

The Authority reserves the right to make changes to this Contract that are within the general scope of this Contract. Any such changes shall be subject to any applicable provisions of this Contract.

21. FEDERAL COST PRINCIPLES

All costs under this Contract are subject to audit pursuant to Federal cost principles set forth in 2 CFR 225 (or as may be revised).

22. REPORTING

Contractor shall comply with the FEMA requirements and regulations pertaining to reporting, particularly those contained in 44 CFR parts 13.40 and 13.41.

23. PATENTS

The Contractor agrees, pursuant to 44 C.F.R. 13.36 (i)(8), that all rights to inventions and/or discoveries that arise or are developed, in the course of or under this Agreement, shall belong to the Port Authority and be disposed of in accordance with the Port Authority policy. The Port Authority, at its own discretion, may file for patents in connection with all rights to any such inventions and/or discoveries.

24. COPYRIGHTS

The Contractor agrees, pursuant to 44 C.F.R. 13.36 (i)(9), that if this Agreement results in any copyrightable material or inventions, in accordance with 44 C.F.R. 13.34, FEMA reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, or otherwise use, for Federal Government purposes: (1) the copyright in any work developed under a grant or contract; and (2) any rights of copyright to which a grantee or a contractor purchases ownership with grant support.

25. BUY AMERICAN REQUIREMENTS (IF APPLICABLE)

Contractor is required to comply with the Buy American Act (41 U.S.C. 10a et seq.).

CERTIFICATION REGARDING LOBBYING PURSUANT TO 31 U.S.C. 1352

The undersigned

(name of authorized officer)

certifies, to the best of my knowledge and belief, that:

- No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure of Lobbying, Activities" in accordance with its instructions.
- The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by, 31, U.S. C. § 1352 (as amended by the Lobbying Disclosure Act of 1995). Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Note: Pursuant to 31 U.S.C § 1352(c)(1)-(2)(A), any person who makes a prohibited expenditure or fails to file or amend a required certification or disclosure form shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure or failure.

The Contractor certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. § 3801, et seq., apply to this certification and disclosure, if any.

Executed this day _____ of _____, 20_____

By: _____
Signature of Authorized Official

Official Name and Title of Authorized Official

FEMA REQUIREMENTS

STANDARD FORM LLL - DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352

1. Type of Federal Action: <input checked="" type="checkbox"/> a. contract <input type="checkbox"/> b. grant <input type="checkbox"/> c. cooperative agreement <input type="checkbox"/> d. loan <input type="checkbox"/> e. loan guarantee <input type="checkbox"/> f. loan insurance	2. Status of Federal Action: <input checked="" type="checkbox"/> a. bid/offer/application <input type="checkbox"/> b. initial award <input type="checkbox"/> c. post award	3. Report Type: <input checked="" type="checkbox"/> a. initial filing <input type="checkbox"/> b. material change For material change only: Year _____ quarter _____ Date of last report _____
4. Name and Address of Reporting Entity: <input checked="" type="checkbox"/> Prime <input type="checkbox"/> Subawardee Tier _____, if Known: Congressional District, if known:	5. If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of Prime: Congressional District, if known:	
6. Federal Department/Agency:	7. Federal Program Name/Description: CFDA Number, if applicable: _____	
8. Federal Action Number, if known:	9. Award Amount, if known: \$	
10. a. Name and Address of Lobbying Registrant <i>(if individual, last name, first name, MI):</i>	b. Individuals Performing Services <i>(including address if different from No. 10a)</i> <i>(last name, first name, MI):</i>	
11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.	Signature: _____ Print Name: _____ Title: _____ Telephone No.: _____ Date: _____	
Federal Use Only	Authorized for Local Reproduction Standard Form - LLL (Rev. 7-97)	

FEMA REQUIREMENTS

INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. Section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a followup report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in item 4 checks "Subawardee," then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitations for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Included prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.
(b) Enter the full names of the individual(s) performing services, and include full address if different from 10(a). Enter Last Name, First Name, and Middle Initial (MI).
11. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

FEMA REQUIREMENTS

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB control Number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503

FEMA REQUIREMENTS

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION - LOWER TIER COVERED TRANSACTIONS

1. The prospective lower tier participant, _____, certifies by submission of this bid or proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

3. The prospective lower tier participant shall provide immediate written notice to the Authority (and the Contractor, if applicable) if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

Executed this day _____ of _____, 20_____.

BY SIGNATURE OF AUTHORIZED OFFICIAL

NAME AND TITLE OF AUTHORIZED OFFICIAL

FEMA REQUIREMENTS

INSTRUCTIONS FOR COMPLETION OF CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION -LOWER TIER COVERED TRANSACTIONS

1. By signing and submitting this Proposal, the prospective lower tier participant is providing the signed certification set out on the previous page.
2. This certification is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the Authority may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the Authority if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "persons," "lower tier covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549 [2 C.F.R. Part 3000]. The Proposer may contact the Procurement Representative for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized in writing by the Authority.
6. The prospective lower tier participant further agrees by submitting this proposal that it will include the "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List issued by U.S. General Service Administration.
8. Nothing contained in the foregoing shall be construed to require establishment of system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under sub-paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to all remedies available to the Federal Government, the Authority may pursue available remedies including suspension and/or debarment.

END OF FEMA CONTRACT PROVISIONS

DBE FORMS: APPENDICES A1-A5

See following pages

APPENDIX A1

DBE GOALS STATEMENT

The undersigned Bidder has satisfied the requirements of the Contract in the following manner (Complete the appropriate spaces and check one box):

- The Bidder is committed to meeting the DBE goal set forth in this Contract.

OR

- The Bidder is unable to meet the DBE goal set forth in this Contract, but is committed to a minimum of _____% DBE utilization on this Contract and submits the attached narrative and documentation demonstrating good faith efforts consistent with Appendix A of 49 CFR 26 to meet the DBE utilization goal set forth in this Contract. Attach as many pages as necessary to provide a full and complete narrative and supporting documentation of good faith efforts made. This narrative shall be submitted on company letterhead and signed.

It is the present intent of the Bidder to utilize the specific DBE firms identified in Appendix A2 in the performance of the Work under this Contract. If for any reason, one or more of the DBE firms identified in Appendix A2 are unable or unwilling to participate, the Bidder will make good faith efforts to replace the DBE firm with another DBE firm in accordance with the Information For Bidders clause entitled "Disadvantaged Business Enterprise Program (DBE)".

I _____ (print name), an officer of _____ (company name), certify that I have read the Appendix A1 – DBE Goals Statement and the information contained in it is true. I fully understand that any false statement within this submittal may prevent the company and/or the undersigned from being found to be responsible bidders/proposers in connection with future agreements. In addition, any false statement within this submittal may subject the company and/or the undersigned to criminal charges in the state and federal courts of New York and New Jersey.

Signature _____ Title _____ Date _____

Officer must have ACKNOWLEDGEMENT BY NOTARY PUBLIC completed on the reverse side.

ACKNOWLEDGEMENT BY NOTARY PUBLIC

APPENDIX A1 - DBE GOALS STATEMENT (reverse)

ACKNOWLEDGEMENT

of

STATE OF _____)

S.S.:

COUNTY OF _____)

On this _____ day of _____, before me personally came and appeared _____ to be known, who being by me duly sworn, did depose and say that he/she resides at _____, that he/she is the _____ of _____ company, that the seal affixed to said Certification is such corporate seal, that it was so affixed by order of the directors of said corporation, and that he/she signed his/her name thereto by like order.

(Notary's Seal or Stamp)

Notary Public
My commission expires:

APPENDIX A2
THE PORT AUTHORITY OF NY & NJ— OFFICE OF BUSINESS DIVERSITY AND CIVIL RIGHTS
DBE PARTICIPATION PLAN AND AFFIRMATION STATEMENT

Instructions: Submit one DBE PARTICIPATION PLAN AND AFFIRMATION STATEMENT form for each DBE firm used on this Contract.

CONTRACT NUMBER AND TITLE: _____

BIDDER:
Name of Firm: _____

Address: _____ Telephone: _____

Email Address: _____

DBE:
Name of Firm: _____

Address: _____ Telephone: _____

Description of work to be performed by DBE: _____

Calculation (supply only): _____

The Bidder is committed to utilizing the above-named DBE for the work described above. The estimated dollar value of this work is \$ _____
or
_____ % of the total contract amount of \$ _____. The anticipated start date is _____ and the anticipated completion date is _____

AFFIRMATION

The above-named DBE affirms that it will perform the portion of the Contract for the estimated dollar value as stated above.

By: _____ Date: _____
Signature of Principal or Officer of DBE and Name and Title

If the Bidder does not receive award of the Contract, any and all representations in this DBE Participation Plan and Affirmation Statement shall be null and void.

I _____ (print name), an officer of _____ (company name), certify that I have read the Appendix A2 – DBE Participation Plan and Affirmation Statement and the information contained in it is true. I fully understand that any false statement within this submittal may prevent the company and/or the undersigned from being found to be responsible bidders/proposers in connection with future agreements. In addition, any false statement within this submittal may subject the company and/or the undersigned to criminal charges in the state and federal courts of New York and New Jersey.

Signature _____ Title _____ Date _____

Please Note: Only 60% of the expenditure to a DBE material supplier will be counted toward the DBE goal. Please show calculation above. Example: \$100,000 x 60% = \$60,000 estimated DBE dollar value of work. Plan cannot be accepted without calculation.

Officer must have ACKNOWLEDGEMENT BY NOTARY PUBLIC completed on the reverse side.

ACKNOWLEDGEMENT BY NOTARY PUBLIC

**APPENDIX A2
DBE PARTICIPATION PLAN AND AFFIRMATION STATEMENT (reverse)**

ACKNOWLEDGEMENT
of

STATE OF _____)

S.S.:

COUNTY OF _____)

On this _____ day of _____, before me personally came and appeared _____ to be known, who being by me duly sworn, did depose and say that he/she resides at _____, that he/she is the _____ of _____ company, that the seal affixed to said Certification is such corporate seal, that it was so affixed by order of the directors of said corporation, and that he/she signed his/her name thereto by like order.

(Notary's Seal or Stamp)

Notary Public
My commission expires:

ACKNOWLEDGEMENT BY NOTARY PUBLIC

**APPENDIX A3
INFORMATION ON SOLICITED FIRMS (reverse)**

ACKNOWLEDGEMENT
of

STATE OF _____)

COUNTY OF _____)

S.S.:

On this _____ day of _____, before me personally came and appeared _____ to be known, who being by me duly sworn, did depose and say that he/she resides at _____, that he/she is the _____ of _____ company, that the seal affixed to said Certification is such corporate seal, that it was so affixed by order of the directors of said corporation, and that he/she signed his/her name thereto by like order.

(Notary's Seal or Stamp)

Notary Public
My commission expires:

THE PORT AUTHORITY OF NEW YORK & NEW JERSEY
PRE-AWARD DBE
TRUCKING COMMITMENT INFORMATION
PAGE ONE
INSTRUCTIONS:

A LOW BIDDER THAT SUBMITS A DBE PARTICIPATION PLAN THAT INCLUDES AMOUNT(S) FOR TRUCKING MUST COMPLETE THIS FORM TO SHOW HOW THE COMMITMENT AMOUNT WAS ESTIMATED. THIS FORM IS TO BE ATTACHED TO THE REQUIRED "DBE PARTICIPATION PLAN AND AFFIRMATION STATEMENT (APPENDIX A2)" FOR FEDERALLY FUNDED CONTRACTS.

PRIME CONTRACTORS UTILIZING DBE FIRMS WITH A "TRUCKING" CLASSIFICATION TO MEET DBE CONTRACT GOALS MUST BE AWARE THAT CERTAIN CONDITIONS MUST BE MET BY THE DBE TRUCKING FIRM IN ORDER TO BE CONSIDERED COMMERCIALY USEFUL. THESE CONDITIONS DIRECTLY AFFECT HOW MUCH PARTICIPATION CREDIT WILL BE COUNTED TOWARD THE GOAL. FOR DBE CREDIT, THESE CONDITIONS ARE OUTLINED UNDER CFR PART 26.55(d) (1) THROUGH (7).

Use the following factors in determining whether a DBE trucking company is performing a commercially useful function:

- The DBE must be responsible for the management and supervision of the entire trucking operation for which it is responsible on a particular contract, and there cannot be a contrived arrangement for the purpose of meeting DBE goals.
- The DBE must itself own and operate at least one fully licensed, insured and operational truck used on the contract.
- The DBE receives credit for the total value of the transportation services it provides on the contract using trucks it owns, insures, and operates, using drivers it employs.
- The DBE may lease trucks from another DBE firm, including an owner-operator who is certified as a DBE. The DBE who leases trucks from another DBE receives credit for the total value of the transportation services the lessee DBE provides on the contract.
- The DBE may also lease trucks from non-DBE firms and owner-operators. The DBE can count the value of these trucking services up to the value of services performed by the DBE trucks used on the contract. DBE participation can be counted for the value of services of non-DBE trucks that exceed the value of services performed by DBE trucks only in the amount of the fee or commission a DBE receives as a result of the lease arrangement.
- A lease must indicate that the DBE has exclusive use of and control over the truck for the period of the subcontract. This does not preclude the leased truck from working for others during the term of the lease with the consent of the DBE, so long as the lease gives the DBE absolute priority for use of the leased truck

FILL OUT THE INFORMATION ON PAGE 2 FOR EACH DBE TRUCKING FIRM UTILIZED.

MAKE ADDITIONAL COPIES FOR EACH DBE TRUCKING FIRM USED ON THE CONTRACT.

ACKNOWLEDGEMENT BY NOTARY PUBLIC

PRE-AWARD DBE TRUCKING COMMITMENT INFORMATION (reverse)

ACKNOWLEDGEMENT
of

STATE OF _____)

S.S.:

COUNTY OF _____)

On this _____ day of _____, before me personally came and appeared _____ to be known, who being by me duly sworn, did depose and say that he/she resides at _____, that he/she is the _____ of _____ company, that the seal affixed to said Certification is such corporate seal, that it was so affixed by order of the directors of said corporation, and that he/she signed his/her name thereto by like order.

(Notary's Seal or Stamp)

Notary Public
My commission expires:

THE PORT AUTHORITY OF NY & NJ

DBE REGULAR DEALER VERIFICATION FORM

(To be completed by DBE firm and signed by Prime Contractor)

Project Number:	Telephone # of Prime
-----------------	----------------------

Prime Contractor:

DBE Firm:

Provide a brief description of the material(s) your firm will be supplying and the Prime is requesting be credited as a regular dealer (including item numbers and estimated quantities when possible).

If either question is marked 'No', then the Prime cannot receive regular dealer credit for the services provided by the DBE firm. Instead, the maximum credit that could be received would be the fee or commission the DBE firm receives for its services. Before executing this form, read the attached 'Guide for Counting DBE Suppliers' which includes the official question and answer issued by the United States Department of Transportation.

	Yes	No
1. Does your firm "regularly" engage in the purchase and sale or lease, to the general public in the usual course of its business, of product(s) of the general character which will be involved in this contract and for which DBE credit is being sought?	<input type="radio"/>	<input type="radio"/>
2. Is the role your firm will play on this specific contract consistent with the regular sale or lease of the product(s) in question, as distinct from a role better understood as that of a broker, packager, manufacturer's representative, or other person who arranges or expedites a transaction?	<input type="radio"/>	<input type="radio"/>

Authorized Representative of DBE Firm

The undersigned individual hereby verifies that he/she is authorized to make this verification on behalf of the DBE firm, that the DBE firm "regularly" engages in the purchase and sale or lease of the items listed herein and is not otherwise a packager, broker, manufacturer's representative, or other person who arranges or expedites transactions, that the answers and information provided herein are true and correct to the best of her/his knowledge, information and belief and any false statement made in this verification 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.).

Signature of Principal or Officer	Date
-----------------------------------	------

Print Name and Title	Phone Number
----------------------	--------------

Authorized Representative of Prime Contractor

The undersigned individual hereby verifies that he/she is authorized to make this verification on behalf of the prime contractor, that, to the best of his/her knowledge, information and belief the DBE firm 'regularly' engages in the purchase and sale or lease of the items listed herein and is not otherwise a packager, broker, manufacturers' representative, or other person who arranges or expedites transactions.

I, Signature of Principal or Officer _____ Date _____

_____ an officer of _____ Company

certify that I have read the DBE Regular Dealer Verification Form and the information contained in it is true. I fully understand that any false statement within this submittal may prevent the company and/or the undersigned from being found to be responsible bidders/proposers in connection with future agreements. In addition, any false statement within this submittal may subject the company and/or the undersigned to criminal charges in the state and federal courts of New York and New Jersey.

Officer must have ACKNOWLEDGEMENT BY NOTARY PUBLIC completed on the reverse side.

ACKNOWLEDGMENT BY NOTARY PUBLIC
DBE REGULAR DEALER VERIFICATION FORM (reverse)

ACKNOWLEDGEMENT

of

STATE OF _____)

S.S.:

COUNTY OF _____)

On this _____ day of _____, before me personally came and appeared _____ to be known, who being by me duly sworn, did depose and say that he/she resides at _____, that he/she is the _____ of _____ company, that the seal affixed to said Certification is such corporate seal, that it was so affixed by order of the directors of said corporation, and that he/she signed his/her name thereto by like order.

(Notary's Seal or Stamp)

Notary Public
My commission expires:

GUIDE FOR COUNTING DBE SUPPLIERS

- The official question and answer (Q & A) issued by the United States Department of Transportation on December 9, 2011 as institutional guidance based on 49 C.F.R. § 26.55 relative to regular dealers poses two questions that must both be answered 'yes' in order for the DBE firm to receive regular dealer credit equivalent to 60 percent of the value for materials supplied on federally-assisted transportation projects.
- Following is the official Q & A in italics:

First, does the firm "regularly" engage in the purchase and sale or lease, to the general public in the usual course of its business; of products of the general character involved in the contract and for which DBE credit is sought?

 - *Answering this question involves attention to the activities of the business over time, both within and outside the context of the DBE program.*
 - *The distinction to be drawn is between the regular sale or lease of the products in question and merely occasional or ad hoc involvement with them.*
 - *In answering this question, [the Port Authority of NY and NJ] will not insist that every single item the DBE firm supplies be physically present in the firm's store, warehouse, etc. before it is sold to a contractor. However, the establishment in which the firm keeps items it sells to the general public should be more than a token location.*
 - *For example, a mere showroom, the existence of a hard-copy or on-line catalog, or the presence of small amounts of material that make questionable the ability of the firm to effectively supply quantities typically needed on a contract, are generally not sufficient to demonstrate that a firm regularly deals in the items.*

Second, is the role the firm plays on the specific contract in question consistent with the regular sale or lease of the products in question, as distinct from a role better understood as that of a broker, packager, manufacturer's representative, or other person who arranges or expedites a transaction?

 - *For example, a firm that regularly stocks and sells Product X may, on a particular contract, simply communicate a prime contractor's order for Product Y to the manufacturer, acting in a transaction expediter capacity.*
 - *This means that a firm that acts as a regular dealer on one contract does not necessarily act as a regular dealer on other contracts. For example, a firm that acts as a regular dealer on Contract #1 may act simply as a "transaction expediter" or "broker" on Contract #2. It would receive DBE credit for 60 percent of the value of the goods supplied on Contract #1 while only receiving DBE credit for its fee or commission on Contract #2.*
 - *In some circumstances, items are "drop-shipped" directly from a manufacturer's facility to a job site, never being in the physical possession of or transported by a supplier. In many such cases, the supplier's role may involve nothing more than contacting the manufacturer and placing a job-specific order for an item that the manufacturer then causes to be transported to the job site.*
 - *In such a situation, the supplier's role may often be better described as that of a "broker" or "transaction expediter" (see 49 C.F.R. § 26.55(e)(2)(ii)(C)) than as a "regular dealer." In such a case, DBE credit is limited to the fee or commission the firm receives for its services. If the firm does not provide any commercially useful function (i.e., it is simply inserted as an extra participant in a transaction), then no DBE credit can be counted.*
- The Port Authority of NY and NJ propose that primes submit the two questions to DBEs in writing. If the DBE firm answers 'yes' to both questions, then the written documentation would be taken into account in the Port Authority of NY and NJ's good faith effort determination in accordance with Section 26.53 of the federal DBE regulation set forth in Title 49 Code of Federal Regulations Part 26.
- If it were later determined that the DBE misrepresented itself or erroneously concluded that it was acting as a regular dealer, the Port Authority of NY and NJ would strongly consider this documentation in evaluating the actions of the prime and in determining whether the prime exercised reasonable due diligence by obtaining a written regular dealer confirmation from the DBE even though it later turned out to be false.
- Participation would still have to be revised, but the Port Authority of NY and NJ will fully consider the written documentation in its good faith effort review.
- The Port Authority of NY and NJ reserves the right to address any misrepresentation by the DBE firm or the prime consistent with the "Bidders Certification Statement" and other requirements and procedures for determinations of whether a contractor has acted responsibly.