

THE PORT AUTHORITY OF NY & NJ

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

February 26, 2015

SUBJECT: REQUEST FOR RESPONSES FOR PERFORMANCE OF EXPERT PROFESSIONAL SERVICES FOR THE DEVELOPMENT AND IMPLEMENTATION OF A CONTINUOUS IMPROVEMENT PROGRAM FOR THE PORT AUTHORITY; SOLICITATION #41542

Dear Sir or Madam:

The Port Authority of New York and New Jersey (“Authority”) hereby invites your response for the performance of Expert Professional Consulting Services to help develop and implement a self-sustaining Continuous Improvement Program (Program) for the Authority, as more fully set forth in Attachment A (“Scope of Work” or “SOW”). The Authority will use the Program to identify and implement initiatives that will result in cost savings, revenue generation and other business benefits. As fully described in the SOW, the selected consultant shall:

1. Identify initiatives that could result in cost savings, revenue generation and other business benefits;
2. Analyze, evaluate, and assist with prioritizing initiatives;
3. Assist in implementing initiatives accepted by the Authority;
4. Transfer knowledge, including continuous improvement processes and tool sets, to Authority project participants to enable the Authority to continue to realize the benefits of the Program on an ongoing basis; and
5. Assist in developing enterprise change management and employee engagement programs.

Only responses from firms demonstrating that they currently have in place an agreement with a governmental agency, for performance of services similar to those presented in Attachment A, shall be considered. Examples of governmental agencies include but are not limited to the States of New York and New Jersey, New York City, the U.S. General Services Administration (GSA), as well as other State and Public municipalities in the United States.

Hourly rates proposed in your response hereto shall not exceed the published government agreement rates. However, the Authority encourages firms to provide reductions to said rates, as appropriate.

A determination that a firm has a valid governmental agreement is no assurance that the firm will be selected for performance of the subject services. Firms that do not meet this requirement shall not be further considered.

1. FORM OF AGREEMENT

Attached hereto is a copy of an Authority standard agreement, including Attachment A thereto, which should be carefully reviewed by you, as it is the form of agreement that the Authority intends that you sign in the event of acceptance of your response, and which forms the basis for the submission of responses.

2. RESPONSE FORMAT REQUIREMENTS:

Responses should be no more than thirty pages (single-sided using 12 point or greater font size) not including resumes and certifications, the signed copy of Attachment B (Agreement on Terms of Discussion), the completed copy of Attachment C (Company Profile), the letter setting forth the proposed exceptions to the terms and conditions of the standard agreement, and the Cost Proposal (**which shall be provided in separate sealed envelope entitled "Cost Proposal"**). Resumes should be 1-page maximum using 12 point or greater front size. The Proposal pages should be numbered and bound, with "Your Firm Name," and **Solicitation Number 41542** clearly indicated on the cover.

Your response should be separated into sections labeled in accordance with the letter of the requirements specified below in Section 3, and it shall not include brochures and/or similar marketing material in response to solicitation.

Responses shall meet the requirements set forth below in this section:

- A. All responses must be delivered in sealed envelopes and/or packages. Address the response to: The Port Authority of New York and New Jersey, 2 Montgomery Street, Jersey City, NJ 07302, Attention: RFP/BID Custodian. You are requested to submit:
 - One (1) reproducible original and five (5) copies of your Technical Proposal (everything except the cost proposal).
 - One (1) reproducible original and five (5) copies of your Cost Proposal, in separate envelopes entitled "Cost Proposal".
- B. Your Response must be delivered in sufficient time so that the Authority receives it **no later than 2:00 p.m. on March 17, 2015**. The outermost cover of your submittal must include the Solicitation Number and the Solicitation title as indicated in "Subject" above. The Authority assumes no responsibility for delays caused by any delivery services.
- C. If your Response is to be hand-delivered, note that only individuals with proper identification (e.g., photo identification) will be permitted access to the Authority's offices. Individuals without proper identification will be turned away and their packages not accepted.

3. SUBMISSION REQUIREMENTS:

To respond to this solicitation, you shall provide the following information:

- A. In the front of your response, a copy of Attachment B (Agreement on Terms of Discussion) signed by an officer of your company.
- B. A completed copy of Attachment C (Company Profile).
- C. An executive summary (no more than four pages) highlighting key aspects of your proposal and demonstrating your understanding of the objectives described in the SOW.
- D. Cost Proposal: **The firm shall provide the Cost Proposal ONLY in a separate, sealed envelope entitled "Cost Proposal." The Cost Proposal shall appear only in such envelope and nowhere else in the overall Response.**
 1. Compensation Approach: The firm shall describe its approach to compensation, and provide the rationale for the approach.

The Authority prefers to make the Consultant’s compensation contingent on the successful implementation of initiatives that generate cost savings or revenue for the Authority, but the Authority will consider other proposed approaches to compensation (e.g. firm-fixed price, etc.).

If the Cost Proposal includes a compensation approach with a contingency, the Respondent shall:

- A. Describe the methodology for determining the contingency-based fee, and for measuring and validating the financial benefits realized by the Authority;
- B. Identify proposed savings/revenue generation targets and the corresponding contingency-based fee to be paid upon achieving each proposed target, and describe the rationale for the targets and corresponding fee.

If the Cost Proposal includes a different compensation approach, the Respondent shall demonstrate how such approach is suitable for the nature of the assignment described in the SOW.

- 2. Cost of Services: Provide the proposed hourly rates for all personnel (including any proposed sub-consultants) who will be assigned to perform any requested services, in the following MS Excel file (.xlsx) format:

Name	Title	Proposed Hourly Billing Rate
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Include a table in a Microsoft Excel file (.xlsx) in the following format that indicates the projected cost of each Task in the SOW:

Task:

Name, Title / Expense	Hours / Expense Units	Proposed Hourly Billing Rate/ Expense Unit Cost	Total Cost
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The Cost Proposal shall identify the agreement between your firm and the government agency on which the proposed hourly rates were based. Hourly rates proposed in your response hereto shall not exceed the published government agreement rates. However, the Authority encourages firms to provide reductions to said rates, as appropriate.

The Cost Proposal shall also clearly indicate any of your employees, proposed by you to perform the requested services, who are former Authority employees.

- E. Resumes, including technical qualifications, of personnel of your firm and/or sub-consultants who will be assigned to perform the requested services.
- F. Firm Experience: Describe the experience of your firm (and proposed sub-consultants) in providing services **similar** to those contemplated herein. Identify comparable services performed during the last five (5) years. Include client name and contact information (for verification purposes). Submit your list of clients in a Microsoft Excel file (.xlsx) using the following format:

Client	Term of Agreement	Brief Summary of Project/Services	Value of Agreement	Client contact Information, incl. phone
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				number and email address
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In addition to the foregoing information, describe the critical information necessary to execute each listed project, problems encountered and how they were resolved, key findings and outcomes, reasons for successes and failures, and any lessons learned that could be applied in the performance of the SOW.

- G. Staff Experience: This Section shall highlight the specific experience of the proposed staff (including those of sub-consultants, if any) in providing services similar to those contemplated herein. Provide resumes, including technical qualifications, of all personnel from your firm and/or from sub-consultants that will be assigned to perform the requested services. This section shall also include the proposed duration and percentage of each assigned person’s time to the performing the SOW.
- H. Technical Plan and Approach: The proposed technical approach to perform the required services under each task outlined in the SOW. The proposed technical approach shall also identify any tasks that will be performed by sub-consultants.

Moreover, the Proposer shall:

- Describe the challenges to identifying, implementing, and achieving savings and revenue generation in large governmental entities, and using examples, convey how the proposer managed such challenges.
- Convey the kind of initiatives that the proposer would likely recommend. The Authority expects creative recommendations for cost savings and revenue generation. Thus, in addition to not recommending the initiatives listed in Section 2 of the SOW, the selected proposer shall not duplicate the work or recommendations of other consultants engaged by the Authority (e.g. Navigant Consulting, Inc.), whose recommendations might still be in the process of implementation. Nor should the selected proposer re-package ideas offered elsewhere (e.g. <http://whitehouse.gov/economy/reform/cutting-waste>, etc.).

The technical plan and approach shall also include:

- A detailed project schedule for completing the tasks specified in the SOW. The schedule will identify each phase and task and the number of weeks and hours for their completion.
 - The proposed methodology to perform the tasks identified in the SOW, which shall include the Consultant’s proposed methodology for identifying, analyzing and assisting with prioritizing, developing, implementing and measuring the incremental value of initiatives resulting from this Program, and for monitoring the progress of the initiatives.
 - Your assumptions or expectations regarding the Authority’s role, responsibilities and obligations, including the type of information that the Authority will need to provide in order for the Consultant to perform the tasks described in the SOW.
 - Proposed changes to the SOW (i.e. additions, deletions, etc.) that you consider necessary to achieve the objectives of the project. Provide the rationale for any proposed changes.
- I. Management Approach: Your proposed Management Approach to performing the required services. For the purposes of this solicitation, Management Approach shall identify your approach to quality control and quality assurance, keeping the client apprised of the project status, and to ensuring the timely delivery of work

product. It will also describe the Consultant’s approach to managing communication, engagement and change management.

- J. M/WBE Plan: Your proposed plan for using Minority and Women Business Enterprises (M/WBEs) as sub-consultant(s), in accordance with Section 23 of the Standard Agreement.
- K. A complete list of your firm’s affiliates.
- L. If the firm or any employee, agent or sub-consultant of the firm may have, or may give, the appearance of a possible conflict of interest, the firm shall include in its response a statement indicating the nature of the conflict. The Authority reserves the right to disqualify the firm or require an appropriate mitigation plan if, in its sole discretion, any interest disclosed from any source could create, or give the appearance of, a conflict of interest. The Authority’s determination regarding any question(s) of conflict of interest shall be final.
- M. The firm is expected to agree with the standard Agreement and its terms and conditions. You will therefore not make any changes in this standard Agreement, nor restate any of its provisions in your response or supporting material. However, if the firm has any specific exceptions, such exceptions should be set forth in a separate letter included with its response to this solicitation. The Authority is under no obligation to entertain or accept any such specific exceptions. Exceptions raised at a time subsequent to response submission will not be accepted. The scope of the tasks to be performed by you are set forth in Attachment A to the Authority's standard Agreement.

4. COMMUNICATIONS REGARDING THIS SOLICITATION

All communications concerning this solicitation shall be directed to Pr. Contracts Specialist James Summerville via email: jsummerville@panynj.gov. All questions regarding this solicitation shall be emailed to the Pr. Contracts Specialist no later than 3:00 p.m. (EST) on March 4, 2015.

Questions shall be submitted in an MS Word attachment to the email, and in the following format:

Section	Page	Topic	Question
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5. SELECTION PROCESS:

All proposals will be reviewed by the Port Authority to determine if they adhere to the format required in this solicitation, if they contain all required submissions, and if the Respondent meets the requirement that it has an active agreement with a government agency for performance of services similar to those presented in Attachment A. For proposals meeting such requirements, the following criteria, set forth in order of importance, will be utilized in the evaluation of proposals.

- a. qualifications and experience of the staff proposed to perform services hereunder;
- b. technical approach to assist the Authority to identify, evaluate, prioritize, implement and measure the value of continuous improvement initiatives;
- c. qualifications and experience of the firm, including the quality of similar services provided to others, and the demonstrated ability to complete the services in accordance with the project schedule;
- d. approach to manage the performance of the contemplated services.

After consideration of these factors, the Authority will evaluate the proposed compensation approach and the cost of services and may enter into negotiations with the firm (or firms) deemed best qualified in terms of the foregoing factors to perform the required services.

6. ORAL PRESENTATIONS:

After review of all submissions, an oral presentation to the selection committee and others (e.g. executive staff), as appropriate, may be requested. Firms selected to make presentations may be given short advance notice. Presentations would be limited to the timeframe mentioned in the invitation for a presentation and should include the material contained in your response. The presentation would be followed by a question and answer session. The firm's staff providing the presentation shall be led by the proposed account manager, who may be supported by a limited number of other senior staff members proposed to work on this project.

7. ADDITIONAL INFORMATION:

If your firm is selected for performance of the subject services, the Agreement you will be asked to sign will include clauses entitled "Certification of No Investigation (Criminal Or Civil Anti-Trust), Indictment, Conviction, Debarment, Suspension, Disqualification and Disclosure Of Other Information" And "Non-Collusive Proposing, And Code Of Ethics Certification; Certification Of No Solicitation Based On Commission, Percentage, Brokerage, Contingent Or Other Fees". By submitting a response the Consultant shall be deemed to have made the certifications contained therein unless said Consultant submits a statement with the responses explaining why any such certification(s) cannot be made. Such a submission shall be submitted in a separate envelope along with your proposal, clearly marked "CERTIFICATION STATEMENT".

It is Authority policy that its consultants, contractors and vendors comply with the legal requirements of the States of New York and New Jersey. Your attention is therefore called to New York State's requirements that certain contractors, affiliates, subcontractors and subcontractors' affiliates register with the New York State Department of Taxation and Finance for the purpose of collection and remittance of sales and use taxes. Similarly, New Jersey requires business organizations to obtain appropriate Business Registration Certificates from the Division of Revenue of the State's Department of the Treasury.

After a review of all responses received, and oral presentations if applicable, the Authority will forward a copy of the Agreement and Attachment A thereto to the selected firm(s) who shall sign and return both copies. The return of one copy executed by the Authority will effectuate the Agreement.

No employee of the Authority is authorized to interpret the provisions of this solicitation or accompanying documents or give additional information as to their requirements. If interpretation or additional information is required, it will be communicated by written addendum issued by the Authority, and such writing shall form a part of this solicitation, or the accompanying documents, as appropriate.

Response preparation costs are not reimbursable by the Authority, and the Authority shall have no obligation to a firm except under a duly authorized Agreement executed by the Authority.

No rights accrue to any firm except under a duly authorized Agreement for performance of the specified services.

The Authority reserves the unqualified right, in its sole and absolute discretion, to reject all responses, to undertake discussions and modifications with one or more Consultants and to proceed with that response or modified responses, if any, which in its judgment will, under all the circumstances, best serve the public interest.

Sincerely,

James Summerville
Pr. Contracts Specialist
Procurement Department
201-395-3454
jsummerville@panynj.gov

STANDARD AGREEMENT

1. The Port Authority of New York and New Jersey (the "Authority") hereby offers to retain <FIRM NAME>. (the "Consultant" or "you") to provide expert professional services to the Authority, as more fully set forth in Attachment A, which is attached hereto and made a part hereof.

As used herein "Director" shall mean the Director of the Office of Continuous Improvement, acting either personally or through his duly authorized representatives acting within the scope of the particular authority vested in him unless specifically stated to mean acting personally.

For the purpose of administering this Agreement, the Director has designated Lisa Dewey Mattia to act as his duly authorized representative. The Project Manager for this project is Lisa Dewey Mattia, tel. (212) 435-5281, or e-mail address: ldmattia@panynj.gov.

2. Your services shall be performed as expeditiously as possible and at the time or times required by the Director. Time is of the essence in the performance of all your services under this Agreement.

3. Intentionally Not Used

4. In order to effectuate the policy of the Authority, the services provided by the Consultant shall comply with all provisions of federal, state, municipal, local and departmental laws, ordinances, rules, regulations, and orders which would affect or control said services as if the services were being performed for a private corporation, unless the Authority standard is more stringent, in which case the Authority standard shall be followed, or unless the Consultant shall receive a written notification to the contrary signed by the Director personally, in which case the requirements of said notification shall apply.

5. The Consultant shall meet and consult with Authority staff as requested by the Director in connection with the services to be performed herein.

6. Intentionally Not Used

7. Intentionally Not Used

8. You shall not render services under this Agreement in excess of \$***** inclusive of expenses unless you are specifically authorized in writing to so continue by the Director. It is understood, however, that this limitation shall not be construed to entitle you to the above amount as a minimum compensation.

9. As compensation for your services and obligations in connection with the SOW, the Authority will pay you the total of the amounts computed under subparagraphs A, B, C and D below, subject to the limits on compensation and the provisions set forth in paragraph 8 above. Subject to the terms and conditions below, travel time is not reimbursable under subparagraphs A, B, and C hereunder.

A. An amount equal to the actual hourly billing rate billed by you for professional and technical personnel times the total number of hours actually spent by said personnel in the performance of services hereunder. No hour of services by an employee shall be compensable hereunder unless the employee is actually paid for such services at his usual salary rate. The hourly billing rate for each employee is the amount to be paid to you and is full compensation for all benefits, taxes, etc., paid by you. There shall be no change in the billing rates during the first year of the term of this Agreement and no additional compensation for overtime, weekend, or holiday work. Attached hereto is a schedule of names, titles and corresponding hourly billing rates. Clearly indicate if any of the employees, proposed by you to perform the requested services, are former Authority employees. Said schedule shall be the basis for determining compensation, subject to audit and shall be updated by you in writing as required until your services under this Agreement are completed. The Authority reserves the right of approval of all personnel and billing rates for said personnel performing services under this Agreement. For compensation purposes under this Agreement, no such salary or amount shall exceed the salary or amount received by said

personnel or rate customarily billed for a partner or principal as of the effective date of this Agreement unless the Director has been notified in advance, in writing, of the increased salary, rate or amount and approves the increase.

The Consultant shall verify that its employees, or subconsultants, working under this Agreement are legally present and authorized to work in the United States, as per the federally required I-9 Program. Furthermore, upon request of the Authority, the Consultant shall furnish, or provide access to the Authority, federal Form I-9 (Employment Eligibility Verification) for each individual hired by the Consultant, performing services hereunder. This includes citizens and noncitizens.

The Authority reserves the right of approval of all personnel, amounts, billing rates and salaries of said personnel performing services under this Agreement. When requesting salary or billing rate adjustments for one or more of its personnel, the Consultant shall submit his/her name, title, current direct hourly rate or billing rate, proposed new direct hourly salary or billing rate, resulting percentage increase, effective date and reason for the requested change setting forth in detail any increased costs to the Consultant of providing the services under this Agreement which has given rise to the request for increased salary. For adjustments submitted after the effective date of this Agreement it is the intention of the Authority to grant an increase only if the Consultant demonstrates compliance with all of the following conditions: that increases in salary, or partner's or principal's billing rate or amount are in a) accordance with the program of periodic merit and cost of living increases normally administered by it, b) are warranted by increased costs of providing services under this Agreement, c) are based upon increases in salaries and billing rates which are generally applicable to all of Consultant's clients and d) are in accordance with the Authority's salary rate increase policy for the current year for Authority employees possessing comparable skills and experience. If during any calendar year, Authority limits are not available to the Consultant in a timely fashion, increases falling within such limits may be approved retroactively, as appropriate. The amount of increase in salary or billing rate, if any, to be applicable under this Agreement will therefore in all cases be finally determined by the Director or his designee, in his sole and absolute discretion.

B. Premium payments for overtime work or night work or for performing hazardous duty, actually paid to professional and technical employees, but not partners, principals for time actually spent by them in the performance of services hereunder when such overtime or other premium payments have been demonstrated to be in accordance with the Consultant's normal business practice and have been authorized in advance by the Director in writing. The Project Manager for the Authority shall have the right to authorize and approve premium payments up to a total amount of one thousand dollars (\$1,000) per occasion. Payments above said total amount shall be subject to the prior written authorization of the Director. Such premium payments to supervisory employees, who do not receive such payments in the Consultant's normal business practice shall not be given under this Agreement.

C. Amounts actually paid to subconsultants hereunder who have been retained after the written approval by the Director. The Consultant shall submit a copy of the terms and conditions of the subconsultant's compensation (including multiplier, if applicable), as well as an estimate of the number of hours required by the subconsultant to perform its services, as part of any request for approval of the subconsultant.

D. Out-of-pocket expenses, approved in advance by the Director, necessarily and reasonably incurred and actually paid by you in the performance of your services hereunder. Out-of-pocket expenses are expenses that are unique to the performance of your services under this Agreement and generally contemplate the purchase of outside ancillary services, except that for the purpose of this Agreement, out-of-pocket expenses do include amounts for long distance telephone calls; rentals of equipment; travel and local transportation; and meals and lodging on overnight trips.

Notwithstanding the above, the Authority will pay an amount approved in advance by the Director and computed as follows for the reproduction of submittal drawings, specifications and reports:

1) If the Consultant uses its own facilities to reproduce such documents, an amount computed in accordance with the billing rates the Consultant customarily charges for reproduction of such documents on agreements such as this, or

2) If the Consultant uses an outside vendor for the reproduction of such documents, the actual, necessary and reasonable amounts for the reproduction of such documents.

The Authority will not pay for expenses that are usually and customarily included as part of the Consultant's overhead. For the purposes of this Agreement out-of-pocket expenses do not include amounts for typing, utilization of computer systems, computer aided design and drafting (CADD), cameras, recording or measuring devices, flashlights and other small, portable equipment, safety supplies, phones, telephone calls, electronic messaging including Fax, Telex and telegrams, or expendable office supplies. Unless otherwise indicated, required insurance is not a reimbursable expense.

When the Consultant uses his personal vehicle to provide services within the Port District, the Consultant will be reimbursed for travel expenses beyond normal commuting costs at a rate not higher than the Annual Federal Mileage Reimbursement Rate (as determined by the United States General Services Administration (GSA) – <http://www.gsa.gov/portal/content/100715>) per mile traveled by auto.

When the Consultant is asked to provide services outside the Port District, the actual cost of transportation as well as the cost for hotel accommodations and meals will be reimbursable hereunder when approved in advanced in writing by the Director. The cost for all meals and lodging on approved overnight trips is limited to the amounts established by the United States General Services Administration for that locality.

General Services Administration (GSA) Rates:

Domestic Rates: <http://www.gsa.gov/portal/category/21287>

You shall substantiate all billings for out-of-pocket expenses in excess of twenty-five dollars (\$25) with receipted bills and provide said receipts with the appropriate billing.

E. As used herein:

"Port District" is an area comprised of about 1,500 square miles in the States of New York and New Jersey, 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.

"Salaries paid to employees" or words of similar import means salaries and amounts actually paid (excluding payments or factors for holidays, vacations, sick time, bonuses, profit participations and other similar payments) to architects, engineers, designers, drafters or other professional and technical employees of the Consultant for time actually spent directly in the performance of technical services hereunder and recorded on daily time records which have been approved by the employee's immediate supervisor, excluding the time of any employee of the Consultant to the extent that the time of such employee of the Consultant is devoted to typing/word processing, stenographic, clerical or administrative functions. Such functions shall be deemed to be included in the multipliers referred to in subparagraph A above.

10. You shall keep, and shall cause any subconsultants under this Agreement to keep, daily records of the time spent in the performance of services hereunder by all persons whose salaries or amounts paid thereto will be the basis for compensation under this Agreement as well as records of the amounts of such salaries and amounts actually paid for the performance of such services and records and receipts of reimbursable expenditures hereunder, and, notwithstanding any other provisions of this Agreement, failure to do so shall be a conclusive waiver of any right to compensation for such services or expenses as are otherwise compensable hereunder. The Authority will have the right to audit all such records.

The Authority will have the right to inspect your records, and those of your subconsultants, pertaining to any compensation to be paid hereunder, such records to be maintained by you and your subconsultants for a period of one year after completion of services to be performed under this Agreement.

11. On or about the fifteenth (15th) day of each month, you shall render a bill for services performed and reimbursable out-of-pocket expenses incurred in the prior month, accompanied by such records and receipts as

required, to the Project Manager. Each invoice shall bear your taxpayer number and the purchases order number provided by the Director. Upon receipt of the foregoing, the Director will estimate and certify to the Authority the approximate amount of compensation earned by you up to that time. As an aid to you the Authority will, within fifteen days after receipt of such certification by the Director, advance to you by check the sum certified minus all prior payments to you for your account.

12. The Authority may at any time for cause terminate this Agreement as to any services not yet rendered, and may terminate this Agreement in whole or in part without cause upon three (3) days notice to you. You shall have no right of termination as to any services under this Agreement without just cause. Termination by either party shall be by certified letter addressed to the other at its address hereinbefore set forth. Should this Agreement be terminated in whole or in part by either party as above provided, you shall receive no compensation for any services not yet performed, but if termination is without fault on your part, the Authority will pay you as the full compensation to which you shall be entitled in connection with this Agreement the amounts computed as above set forth for services completed to the satisfaction of the Director through the date of termination, minus all prior payments to you.

13. You shall not issue or permit to be issued any press release, advertisement, or literature of any kind, which refers to the Authority or to the services performed in connection with this Agreement, unless you first obtain the written approval of the Director. Such approval may be withheld if for any reason the Director believes that the publication of such information would be harmful to the public interest or is in any way undesirable.

14. Under no circumstances shall you or your subconsultants communicate in any way with any contractor, 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 material shall be obtained by you when you find such data necessary unless otherwise instructed by the Director.

15. Any services performed for the benefit of the Authority at any time by you or on your behalf, even though in addition to those described herein, 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 express 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 other rights or obligations shall arise out of such additional services.

16. No certificate, payment (final or otherwise), acceptance of any work nor any other act or omission of the Authority or the Director shall operate to release you from any obligations under or upon this Agreement, or to stop the Authority from showing at any time that such certificate, payment, acceptance, act or omission was incorrect or to preclude the Authority from recovering any money paid in excess of that lawfully due, whether under mistake of law or fact or to prevent the recovery of any damages sustained by the Authority.

17. Intentionally Not Used.

18. If research or development is furnished in connection with the performance of this Agreement and if in the course of such research or development patentable subject matter is produced by the Consultant, its officers, agents, employees, or subconsultants, the Authority will 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 Consultant 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 Authority and the Consultant 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 agreement may be transferred by the Authority to

its successors, immediate or otherwise, in the operation or ownership of any real or personal property now or hereafter owned or operated by the Authority but such license shall not be otherwise transferable.

19. Notwithstanding anything to the contrary herein, the work product of the Consultant, its officers, agents, employees, or sub-consultants which is produced in accordance with the Agreement, whether it consists of computer programming or documentation thereof, including source code, and on any media whatsoever, shall be deemed to belong exclusively to the Authority, and the Authority will have the exclusive right to obtain and to hold in its own name any and all copyrights, patents, trade secrets or other proprietary rights and protection as may be produced as part of this work product, including the right to extensions or renewals, where appropriate. The work product shall not be destroyed or released to anyone outside of the Office of Continuous Improvement without express written authorization of the Director. The Authority will 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. You agree to contract with your employees for the benefit of the Authority to insure that the Authority has such rights and to give to the Authority or any party designated by the Authority all assistance reasonably required to perfect the rights herein above stated. You shall indemnify and hold harmless the Authority against any claims of proprietary rights infringement arising out of such use of your work product.

20. You shall promptly and fully inform the Director, in writing, of any intellectual property disputes, whether existing or potential, of which you have knowledge, relating to any idea, design, method, material, equipment or other matter related to the subject matter of this Agreement or coming to your attention in connection with this Agreement.

21. You shall promptly and fully inform the Director in writing of any patents or patent disputes, whether existing or potential, of which you have knowledge, relating to any idea, design, method, material, equipment or other matter related to the subject matter of this Agreement or coming to your attention in connection with this Agreement.

22. This Agreement being based upon your special qualifications for the services herein contemplated, any assignment, subletting or other transfer of this Agreement or any part hereof or of any moneys due or to become due hereunder without the express consent in writing of the Authority shall be void and of no effect as to the Authority, provided, however, that you may sublet services to subconsultants with the express consent in writing of the Director. All persons to whom you sublet services, however, shall be deemed to be your agents and no subletting or approval thereof shall be deemed to release you from your obligations under this Agreement or to impose any obligation on the Authority to such subconsultant or give the subconsultant any rights against the Authority.

23. The Authority has a long-standing practice of encouraging Minority Business Enterprises (MBEs) and Women Business Enterprises (WBEs) to seek business opportunities with it, either directly or as subconsultants or subcontractors. "Minority-owned business" or "MBE" means a business entity which is at least fifty-one percent (51%) owned by one (1) or more members of one (1) or more minority groups, or, in the case of a publicly held corporation, at least fifty-one percent (51%) of the stock of which is owned by one (1) or more members of one (1) or more minority groups; and whose management and daily business operations are controlled by one (1) or more such individuals who are citizens or permanent resident aliens. "Women-owned business" or "WBE" means a business which is at least fifty-one percent (51%) owned by one (1) or more women; or, in the case of a publicly held corporation, fifty-one percent (51%) of the stock of which is owned by one (1) or more women: and whose management and daily business operations are controlled by one (1) or more women who are citizens or permanent resident aliens.

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

- A. Black persons having origins in any of the Black African racial groups not of Hispanic origin;

B. Hispanic persons of Puerto Rican, Mexican, Dominican, Cuban, Central or South American culture or origin, regardless of race;

C. Asian and Pacific Islander persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent or the Pacific Islands;

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

The Director has set a goal of twelve percent (12%) participation by qualified and certified MBEs and five percent (5%) to qualified and certified WBEs on technical service projects.

To be "certified" a firm must be certified by the Authority's Office of Business Diversity and Civil Rights.

In order to facilitate the meeting of this goal, the Consultant shall use every good-faith effort to utilize sub-consultants who are certified MBEs or WBEs to the maximum extent feasible.

The Authority has a list of certified MBE/WBE service firms which is available to you at <http://www.panynj.gov/business-opportunities/supplier-diversity.html>. The Consultant will be required to submit to the Authority's Office of Business Diversity and Civil Rights for certification the names of MBE/WBE firms it proposes to use who are not on the list of certified MBE/WBE firms.

24. 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, and to sensitive security sites and facilities (including rental spaces) to any person that declines to abide by Authority security procedures and protocols, and to 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 Consultant, its staff and subconsultants and their staffs depending upon the level of security required, and to 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 Non-Disclosure and Confidentiality Agreements and Acknowledgments

At the direction of the Authority, you shall have your employees, subconsultants and their employees execute Authority approved non-disclosure agreements.

- Consultant/Subconsultant identity checks and background screening

The Consultant may be required to have its staff, and any subconsultant's staff, visitors or others over whom the Consultant/subconsultant 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 Consultant and subconsultant may also be required to use an organization designated by the Authority to perform the background checks.

The 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.

As of January 29, 2007, the Secure Worker Access Consortium (S.W.A.C.) is the only 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 is located at <http://www.secureworker.com>,

or S.W.A.C. can be contacted directly at (877) 522-7922 for more information and the latest pricing. If approved by the Project Manager, the cost for said background checks for staff that pass and are granted a credential shall be reimbursable to the Consultant (and its subconsultants) 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 shall be permitted on or about the non-public areas of the Authority's construction sites or facilities (including rental spaces) without a facility-specific photo identification credential approved by the Authority. If the Authority requires facility-specific identification credentials for the Consultant and the subconsultant's staff, the Authority will supply such identification at no cost to the Consultant or its subconsultants. 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 Consultant to immediately report to the Authority the loss of any staff member's or subconsultant's individual facility-specific identification credential. The Consultant will be billed for the cost of the replacement identification credential. Staff shall display Identification badges in a conspicuous and clearly visible manner, when entering, working at, or leaving an Authority construction site or facility.

Staff may be required to produce not less than two forms of valid/current government issued identification having an official photograph and an original, non-laminated social security card for identify and SSN verification.

- Designated Secure Areas

Services under the Agreement may be required in designated secure areas, as the same may be designated by the Authority ("Secure Areas"). The Authority will 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. All personnel that require access to designated Secure Areas who are not under 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 Consultant shall notify the Project Manager. The Consultant shall conform to the procedures as may be established by the Project 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 Consultant shall request a description from the Project 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 Project Manager during the term of the Agreement.

- Access control, inspection, and monitoring by security guards

The Authority may provide for Authority construction sites or facilities (including rental spaces) access control, inspection and monitoring by Port Authority Police or Authority retained consultant security guards. However, this provision shall not relieve the Consultant of its responsibility to secure its equipment and work and that of its subconsultant's and service suppliers at the Authority construction sites or facilities (including rental spaces). In addition, the Consultant, subconsultant or service provider is not permitted to take photographs, digital images, electronic copying and/or electronic transmission or video recordings or to 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 Agreement, without prior written permission from the Authority. Upon request, any photograph, digital images, video recording or sketches made of the Authority construction sites or facilities 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 Agreement 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 Consultant 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 Authority or when released by the Authority to outside entities. The Handbook can be obtained upon request or at: <http://www.panynj.gov/business-opportunities/pdf/Corporate-Information-Security-Handbook.pdf>.

- Audits for Compliance with Security Requirements

The Authority may conduct random or scheduled examinations of business practices under this section and the Handbook in order to assess the extent of compliance with security requirements, PI procedures, protocols and practices, which may include, but which are not necessarily 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.

25. The Consultant assumes the following distinct and several risks to the extent arising from the negligent or willful intentional acts or omissions of the Consultant or its subconsultants in the performance of services hereunder:

A. The risk of loss or damage to Authority property arising out of or in connection with the performance of services hereunder;

B. The risk or loss or damage to any property of the Consultant or its subconsultants arising out of or in connection with the performance of services hereunder;

C. The risk of claims, arising out of or in connection with the performance of services hereunder, whether made against the Consultant or its subconsultants or the Authority, for loss or damage to any property of the Consultant's agents, employees, subcontractors, subconsultants, materialmen or others performing services hereunder;

D. The risk of claims, just or unjust, by third persons made against the Consultant or its subconsultants or the Authority on account of injuries (including wrongful death), loss or damage of any kind whatsoever arising in connection with the performance of services hereunder including claims against the Consultant or its subconsultants or the Authority for the payment of workers' compensation, whether such claims are made and whether such injuries, damage and loss are sustained at any time both before and after the completion of services hereunder.

The Consultant shall indemnify the Authority against all claims described in subparagraphs A through D above and for all expense incurred by it in the defense, settlement or satisfaction thereof, including expenses of attorneys. If so directed, the Consultant shall defend against any claim described in subparagraphs B, C and D above, in which event the Consultant shall not without obtaining express advance permission from the General Counsel of the Authority raise any defense involving in any way jurisdiction of the tribunal, immunity of the Authority, governmental nature of the Authority or the provisions of any statutes respecting suits against the Authority, such defense to be at the Consultant's cost.

The provisions of this clause shall also be for the benefit of the Commissioners, officers, agents and employees of the Authority, so that they shall have all the rights which they would have under this clause if they were named at each place above at which the Authority is named, including a direct right of action against the Consultant to enforce the foregoing indemnity, except, however, that the Authority may at any time in its sole discretion and without liability on its part cancel the benefit conferred on any of them by this clause, whether or not the occasion for invoking such benefit has already arisen at the time of such cancellation.

Neither the completion of services hereunder nor the making of payment (final or otherwise) shall release the Consultant from his obligations under this clause. Moreover, neither the enumeration in this clause or the enumeration elsewhere in this Agreement of particular risks assumed by the Consultant or of particular claims for which he is responsible shall be deemed (a) to limit the effect of the provisions of this clause or of any other clause of this Agreement relating to such risks or claims, (b) to imply that he assumes or is responsible for risks or

claims only of the type enumerated in this clause or in any other clause of this Agreement, or (c) to limit the risks which he would assume or the claims for which he would be responsible in the absence of such enumerations.

No third party rights are created by the Agreement, except to the extent that the Agreement specifically provides otherwise by use of the words "benefit" or "direct right of action".

Inasmuch as the Authority has agreed to indemnify the Cities of New York and Newark against claims of the types described in subparagraph D above made against said cities, the Consultant's obligation under subparagraph D above shall include claims by said cities against the Authority for such indemnification.

26. LIABILITY INSURANCE AND WORKERS' COMPENSATION INSURANCE

A. Commercial Liability Insurance:

- 1) The Consultant shall take out and maintain at his own expense Commercial General Liability Insurance including but not limited to Premises-Operations, Completed Operations and Independent Contractor coverages in limits of not less than \$2,000,000 combined single limit per occurrence for Bodily Injury Liability and Property Damage Liability. And if vehicles are to be used to carry out the performance of this Agreement, then the Consultant shall also take out, maintain and pay the premiums on Automobile Liability Insurance covering all owned, non-owned and hired autos in not less than \$2,000,000 combined single limit per accident for bodily injury and property damage. (Not less than \$25,000,000 combined single limit per accident on airside) In addition, the liability policies (other than Professional Liability) shall include "The Port Authority of New York & New Jersey and its related entities" as additional insureds and shall contain an endorsement that the policy may not be canceled, terminated or modified without thirty (30) days written advance notice to the Project Manager. Moreover, the Commercial General Liability policy shall not contain any provisions (other than a Professional Liability exclusion, if any) for exclusions from liability other than provisions or exclusions from liability forming part of the most up to date ISO form or its equivalent unendorsed Commercial General Liability Policy. The liability policy (ies) and certificate of insurance shall contain separation of insured condition (cross-liability) and severability of interests provisions so that coverage will respond as if separate policies were in force for each insured.

Further, the certificate of insurance and the liability Policy (ies) shall be specifically endorsed that " The insurance carrier(s) shall not, without obtaining the express advance 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"

B. Workers' Compensation Insurance:

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

C. Professional Liability Insurance:

Not less than \$2,000,000 each occurrence, covering acts, errors, mistakes, and omissions arising out of the work or services performed by Consultant, or any person employed by Consultant. All endorsements and exclusions shall be evidenced on the certificate of insurance. The coverage shall be written on an occurrence basis or may be written on a claims made basis with a minimum of a three-year reporting/discovery period.

D. Compliance:

Prior to commencement of work at the site, the Consultant shall deliver a certificate from its insurer evidencing policies of the above insurance stating the title of this Agreement, the P. A. Agreement

number and containing a separate express statement of compliance with each of the requirements above set forth, via e-mail, to the Project Manager.

- 1) Upon request of the Manager, Risk Management/Treasury, the Consultant shall furnish to the Authority a certified copy of each policy itself, including the provisions establishing premiums.
- 2) 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.
- 3) 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 Agreement at the premises. If the agreement is so suspended, no extension of time shall be due on account thereof. If the Agreement 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.
- 4) The requirements for insurance procured by the Consultant shall not in any way be construed as a limitation on the nature or extent of the contractual obligations assumed by the Consultant under this Agreement. The insurance requirements are not a representation by the Authority as to the adequacy of the insurance to protect the Consultant against the obligations imposed on them by law or by this or any other Agreement.

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

By proposing on this Agreement, each Consultant and each person signing on behalf of any Consultant certifies, and in the case of a joint proposal each party thereto certifies as to its own organization, that the Consultant and each parent and/or affiliate of the Consultant has not:

- A. been indicted or convicted in any jurisdiction;
- B. been suspended, debarred, found not responsible or otherwise disqualified from entering into any agreement with any governmental agency or been denied a government agreement for failure to meet standards related to the integrity of the Consultant;
- C. had an agreement terminated by any governmental agency for breach of agreement 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 Proposal;
- E. had any business or professional license suspended or revoked or, within the five years prior to proposal opening, had any sanction imposed in excess of \$50,000 as a result of any judicial or administrative proceeding with respect to any license held or with respect to any violation of a federal, state or local environmental law, rule or regulation;
- F. had any sanction imposed as a result of a judicial or administrative proceeding related to fraud, extortion, bribery, proposal 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.

28. NON-COLLUSIVE PROPOSING, AND CODE OF ETHICS CERTIFICATION, CERTIFICATION OF NO SOLICIATION BASED ON COMMISSION, PERCENTAGE, BROKERAGE, CONTINGENT OR OTHER FEES

By proposing on this Agreement, each Consultant and each person signing on behalf of any Consultant certifies, and in the case of a joint proposal, each party thereto certifies as to its own organization, that:

A. the prices in its proposal 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 Consultant or with any competitor;

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

C. no attempt has been made and none will be made by the Consultant to induce any other person, partnership or corporation to submit or not to submit a proposal 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 to the Authority), 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 Consultant for the purpose of securing business, has been employed or retained by the Consultant to solicit or secure this Agreement on the understanding that a commission, percentage, brokerage, contingent, or other fee would be paid to such person or selling agency;

F. the Consultant 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 Agreement; and

G. no person or organization has been retained, employed or designated on behalf of the Consultant to impact any Authority determination with respect to (i) the solicitation, evaluation or award of this Agreement; or (ii) the preparation of specifications or request for submissions in connection with this Agreement.

The certifications in this Section and the Section entitled "Certification of No Investigation (Criminal or Civil Anti-trust), Indictment, Conviction, Debarment Suspension, Disqualification and Disclosure of Other Information" shall be deemed to be made by the Consultant as follows:

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

* if the Consultant is a partnership, such certification shall be deemed to have been made not only with respect to the Consultant itself, but also with respect to each partner.

Moreover, the certifications in this Section and the Section entitled "Certification of No Investigation (Criminal or Civil Anti-trust), Indictment, Conviction, Debarment Suspension, Disqualification and Disclosure of Other Information", if made by a corporate Consultant, shall be deemed to have been authorized by the Board of Directors of the Consultant, and such authorization shall be deemed to include the signing and submission of the proposal and the inclusion therein of such certification as the act and deed of the corporation.

In any case where the Consultant cannot make the certifications in this Section and the Section entitled "Certification of No Investigation (Criminal or Civil Anti-trust), Indictment, Conviction, Debarment Suspension,

Disqualification and Disclosure of Other Information”, the Consultant shall so state and shall furnish with the signed proposal a signed statement, which sets forth in detail the reasons therefor. If the Consultant is uncertain as to whether it can make the foregoing certifications, it shall so indicate in a signed statement furnished with its proposal, setting forth in such statement the reasons for its uncertainty. With respect to the foregoing certification in paragraph “28G.”, if the Consultant cannot make the certification, it shall provide, in writing, with the signed proposal: (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 Agreement, 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 Authority). Such disclosure is to be updated, as necessary, up to the time of award of this Agreement. As a result of such disclosure, the Authority shall take appropriate action up to and including a finding of non-responsibility.

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

Notwithstanding that the Consultant may be able to make the certifications in this Section and the Section entitled “Certification of No Investigation (Criminal or Civil Anti-trust), Indictment, Conviction, Debarment Suspension, Disqualification and Disclosure of Other Information” at the time the proposal is submitted, the Consultant shall immediately notify the Authority in writing during the period of irrevocability of proposals on this Agreement or any extension of such period, or during the term of this Agreement, of any change of circumstances which might under this clause make it unable to make the foregoing certifications or require disclosure. The foregoing certifications or signed statement shall be deemed to have been made by the Consultant with full knowledge that they would become a part of the records of the Authority and that the Authority will rely on their truth and accuracy in awarding this Agreement. In the event that the Authority should determine at any time prior or subsequent to the award of this Agreement that the Consultant has falsely certified as to any material item in the foregoing certifications or has willfully or fraudulently furnished a signed statement which is false in any material respect, or has not fully and accurately represented any circumstance with respect to any item in the foregoing certifications required to be disclosed, the Authority may determine that the Consultant is not a responsible Consultant with respect to its proposal on the Agreement or with respect to future proposals on Authority agreements and may exercise such other remedies as are provided to it by the Agreement with respect to these matters. In addition, Consultants 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.). Consultants are also advised that the inability to make such certification will not in and of itself disqualify a Consultant, and that in each instance the Authority will evaluate the reasons therefor provided by the Consultant.

Under certain circumstances, the Consultant may be required as a condition of this Agreement 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 Authority. Said Monitor shall be charged with, among other things, auditing the actions of the Consultant to determine whether its business practices and relationships indicate a level of integrity sufficient to permit it to continue business with the Authority.

29. CONSULTANT ELIGIBILITY FOR AWARD OF AGREEMENTS - DETERMINATION BY AN AGENCY OF THE STATE OF NEW YORK OR NEW JERSEY CONCERNING ELIGIBILITY TO RECEIVE PUBLIC AGREEMENTS

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

The policy permits a Consultant whose ineligibility has been so determined by an agency of the State of New York or New Jersey to submit a proposal on an Authority agreement and then to establish that it is eligible to be awarded an agreement on which it has proposed because (i) the state agency determination relied upon does not apply to the Consultant, or (ii) the state agency determination relied upon was made without affording the

Consultant the notice and hearing to which the Consultant was entitled by the requirements of due process of law, or (iii) the state agency determination was clearly erroneous or (iv) the state agency determination relied upon was not based on a finding of conduct demonstrating a lack of integrity or violation of a prevailing rate of wage law.

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

30. CONSULTANT RESPONSIBILITY, SUSPENSION OF WORK AND TERMINATION

During the term of this Agreement, the Consultant shall remain responsible. The Consultant agrees, if requested by the 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 Authority, in its sole discretion, reserves the right to suspend any or all activities under this Agreement, at any time, when it discovers information that calls into question the responsibility of the Consultant. In the event of such suspension, the Consultant will be given written notice outlining the particulars of such suspension. Upon issuance of such notice, the Consultant shall comply with the terms of the suspension order. Agreement activity may resume at such time as the Authority issues a written notice authorizing a resumption of performance under the Agreement.

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

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

At all times, the Consultant shall not offer, give or agree to give anything of value either to an Authority employee, agent, job shopper, consultant, construction manager or other person or firm representing the 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 Authority of duties involving transactions with the Consultant on behalf of the Authority, whether or not such duties are related to this Agreement or to any other Authority agreement or matter. Any such conduct shall be deemed a material breach of this Agreement.

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 Agreement or any other Authority agreement), etc. which might tend to obligate the Authority employee to the Consultant, 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 Agreement or any other Authority agreement. Where used herein, the term "Port Authority" or "Authority" shall be deemed to include all subsidiaries of the Authority.

The Consultant shall ensure that no gratuities of any kind or nature whatsoever shall be solicited or accepted by it or 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 Consultant 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 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 reporting 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 Agreement, the Consultant 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 Authority). Without the express written approval of the Director, you shall keep confidential, and shall require your employees, your subconsultants, and your subconsultant's employees to keep confidential, a) all information disclosed by the Authority or its consultants to you or b) developed by you or your subconsultants in the performance of services hereunder. Disclosure of any such information shall constitute a material breach of the Agreement.

The Consultant shall include the provisions of this clause in each subagreement entered into under this Agreement.

32. CONFLICT OF INTEREST

During the term of this Agreement, the Consultant shall not participate in any way in the preparation, negotiation or award of any agreement (other than an agreement for its own services to the Authority) to which it is contemplated the Authority may become a party, or participate in any way in the review or resolution of a claim in connection with such an agreement if the Consultant has a substantial financial interest in the Consultant or potential Consultant of the Authority or if the Consultant has an arrangement for future employment or for any other business relationship with said Consultant or potential Consultant, nor shall the Consultant 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 Consultant has reason to believe such an arrangement may be the subject of future discussion, or if the Consultant has any financial interest, substantial or not, in a Consultant or potential Consultant of the Authority, and the Consultant's participation in the preparation, negotiation or award of any agreement with such a Consultant or the review or resolution of a claim in connection with such an agreement is contemplated or if the Consultant has reason to believe that any other situation exists which might be viewed as or give the appearance of a conflict of interest, the Consultant shall immediately inform the Authority in writing of such situation giving the full details thereof. Unless the Consultant receives the specific written approval of the Authority, the Consultant shall not take the contemplated action which might be viewed as or give the appearance of a conflict of interest. The Authority may require the Consultant to submit a mitigation plan addressing and mitigating any disclosed or undisclosed conflict, which is subject to the approval of the Authority and shall become a requirement, as though fully set forth in this Agreement. In the event the Authority shall determine that the performance by the Consultant of a portion of its services under this Agreement is precluded by the provisions of this numbered paragraph, or a portion of the Consultant's said services is determined by the Authority to be no longer appropriate because of such preclusion, then the Authority shall have full authority on behalf of both parties to order that such portion of the Consultant's services not be performed by the Consultant, 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 Consultant's execution of this document shall constitute a representation by the Consultant that at the time of such execution the Consultant 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 Consultant's part. The Consultant 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 agreements, which result, directly or indirectly, from the services provided by the Consultant hereunder. The Authority's determination regarding any conflict of interest shall be final.

33. DEFINITIONS

As used in sections 27 to 32 above, the following terms shall mean:

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

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

Investigation - Any inquiries made by any federal, state or local criminal prosecuting 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 Consultant by whatever titles known.

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

34. The entire agreement between the parties is contained herein and no change in or modification, termination or discharge of this Agreement 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 termination in the manner hereinbefore expressly provided shall be effective as so provided.

35. No Commissioner, officer, agent or employee of the Authority shall be charged personally by you with any liability or held liable to you under any term or provision of this Agreement, or because of its execution or attempted execution or because of any breach hereof.

36. References herein to the Port Authority or Authority shall and shall be deemed to mean equally the Port Authority Trans Hudson Corporation (PATH).

ATTACHMENT A: SCOPE OF WORK

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

The Port Authority of New York and New Jersey (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 Authority manages and/or operates all of the region's major commercial airports (Newark Liberty International, John F. Kennedy International, Teterboro, LaGuardia, Stewart International, Atlantic City International), 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 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 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. Prior to September 11, 2001, the Authority's headquarters were located in the World Trade Center, and that complex is still owned and being partially redeveloped by the Authority.

2. Program Background and Summary of Consultant Services

The Authority has improved trade, transportation and commerce in the New York / New Jersey metropolitan region for more than ninety years and recognizes that it must adapt to provide a second century of service. The Authority has established a Continuous Improvement Program (Program) to help facilitate sustainable change. The Authority will use the Program to identify and implement initiatives that will result in cost savings, revenue generation and other business benefits. The Program should enhance the Authority's business processes and culture to reduce cost, generate revenue, foster innovation and increase employee engagement.

The Consultant shall:

1. Identify initiatives that could result in cost savings, revenue generation and other business benefits;
2. Analyze, evaluate, and assist with prioritizing initiatives;
3. Assist in implementing initiatives accepted by the Authority;
4. Transfer knowledge, including continuous improvement processes and tool sets, to Authority project participants to enable the Authority to continue to realize the benefits of the Program on an ongoing basis; and
5. Assist in developing enterprise change management and employee engagement programs.

The Authority expects the services required hereunder to be completed within twelve months.

The Consultant shall not consider the following items as potential initiatives: toll, fare, fee and rate increases; reductions in labor; compensation or benefit changes. The Consultant shall review continuous improvement work undertaken at the Authority to ensure that the Consultant's work performed hereunder is not duplicative. This will include the Authority's list of non-toll, non-fare revenue initiatives, as well as work performed for the Authority by Navigant Consulting, Inc. and other firms.

3. SCOPE OF WORK

The goals for the Program are

- the realization of substantial annual, recurring and sustainable financial value;
 - incremental savings
 - incremental revenue
- an enhanced culture of innovation; and
- a self-sufficient, sustainable, structured Continuous Improvement Program that engages staff and generates benefits on an ongoing basis.

A. Summary of Work

The Consultant shall provide expert advisory and program management services to develop and help implement the Program. In general, the services of the Consultant shall include but not be limited to:

- Developing and delivering a written Program Plan describing the approach to the continuous improvement initiative.
- Identifying, analyzing, evaluating and assisting with prioritization of targeted efforts that demonstrably and sustainably:
 - Increase productivity, operating efficiency, customer service satisfaction;
 - Yield significant, realized cost savings and/or generate new revenue;
 - Use best practices to support continuous improvement and change management.
- Assisting in the implementation of efforts selected by the Authority that will reduce cost, generate revenue, increase employee engagement and ensure continued business improvement.
- Preparing draft and final reports documenting findings and recommendations.
- Meeting and coordinating with Authority staff and others as required and as approved by the Authority, in the performance of the contemplated services.

B. Detailed Description of Services:

Services performed by the Consultant include, but are not limited to, the tasks specified in this Section. Moreover, the tasks and deliverables specified in this Section shall be provided according the Program-related schedule presented at the kick-off meeting described in Task 1, below, as accepted by the Authority:

Task 1. Develop Detailed Program Plan

Within five business days from Agreement execution, the Consultant shall meet with the Authority Project Manager and other staff for a Program kickoff meeting. At this meeting, the Consultant and Authority shall discuss overall Program objectives, expectations, schedule, etc. The parties shall also discuss expectations regarding subsequent meetings between the Consultant with select departments within the Authority. The Authority expects the Consultant to meet with senior executives representing its six operating businesses (Aviation, Port Commerce, Rail Transit, Real Estate and Development, Tunnels, Bridges and Terminals and, World Trade Center Redevelopment) as well as with executives in corporate functions (Capital Planning, Finance, Human Capital, Law, Office of the Secretary, Security, etc.).

Within ten business days from the kickoff meeting, the Consultant shall provide a Program Plan outlining the process to identify, analyze, prioritize, approve, implement, and evaluate initiatives. The process shall be based on relevant best practices and identify critical information and documentation required from the Authority, and

include the Consultant's proposed plan and schedule to meet with staff throughout the Authority. The Consultant shall prepare an in-person presentation to seek Authority approval for the Program.

Task 2. Present Detailed Program Plan for Approval

The Consultant shall present (in person) the Program and the Program Plan to Authority staff. The Consultant shall provide the Program Plan in draft format and integrate the Authority's comments and deliver the updated Program Plan for approval.

Task 3. Identify and Analyze Initiatives

The Consultant shall:

1. Identify and develop initiatives that will accomplish targeted savings and revenue generation. Identification of initiatives may include soliciting ideas from Authority staff.
2. Analyze initiatives to provide a comprehensive assessment for prioritization and review. The analysis shall include, but not be limited to, determining the value (costs, benefits, risks, etc.) of the initiatives, identifying challenges with implementation and sustainability, specifying required resources, and forecasting the probability of success.

The Consultant shall provide, at minimum, the Authority with the following information:

- a. A summary setting forth the specific initiative, including, without limitation, all requirements and assumptions regarding the creation, development, delivery, installation (if necessary), maintenance (if necessary) and plan for implementation thereof;
- b. If necessary, the technology involved in bringing the initiative to fruition;
- c. Any proposed capital expenditures necessary to fund the initiative and estimated costs;
- d. The timetable for implementation and target date for commencement of the initiative (Commencement Date);
- e. Annual, recurring and quantifiable revenue generation and profit or cost savings anticipated from the Commencement Date and generated directly from the initiative;
- f. The breakdown and total annual cost to implement the initiative;
- g. Pro forma financial statements setting forth the details of the initiative in a form acceptable to the Authority;
- h. Any other relevant information including all costs, materials, supplies, devices, equipment, tools, services and products required to develop, implement and execute the initiative.

Task 4. Assist with Prioritization and Recommendation Of Initiatives

The Consultant shall assist with prioritization of initiatives based on the analysis performed in TASK 3, and identify priority initiatives for implementation in 2015.

Task 5. Present Proposed Initiatives for Approval

The Consultant shall document and present its proposed initiatives, priorities and action plans to senior executives of the Authority to obtain approval for the Program and its proposed initiatives.

Regarding the proposed initiatives, the Authority shall advise the Consultant in writing of the Authority's decision to either:

- a. Accept the proposed initiatives; or
- b. Accept the proposed initiatives subject to revisions agreed upon by the Authority and the Consultant; or
- c. Reject the proposed initiatives in their entirety.

The Authority may, but shall not be obliged to, provide reason(s) for the rejection of proposed initiative(s).

All materials, supplies, equipment, tools, technologies and products purchased by the Consultant in support of the proposed initiatives accepted by the Authority shall become and remain the property of the Authority.

Task 6. Facilitate Implementation, Measurement and Evaluation of Initiatives and Support the Development of a Self-Sufficient Continuous Improvement Program.

The Consultant shall assist the Authority with development, implementation, measurement and evaluation of accepted initiatives. The Consultant shall also support ongoing monitoring, reporting and evaluation of implemented initiatives.

The Consultant shall assist the Authority in developing a self-sufficient Continuous Improvement Program. It shall transfer knowledge, including processes and tool sets, to Authority project participants to enable the Authority to continue to realize benefits on an ongoing basis;

Task 7. Prepare Reports, Presentations for Approval

Throughout the assignment, the Consultant shall prepare and deliver weekly progress reports and bi-weekly in-person briefings to document progress on the assignment.

4. ADDITIONAL TERMS AND CONDITIONS

A. Multiple Agreement Awards:

The Authority reserves the right to award multiple Agreements for the products, work and/or services that are the subject matter of this solicitation and proposers are hereby given notice that they may not be the Authority's only consultants for such products, work and/or services.

B. Personnel

The Consultant shall assign staff, including sub-consultant staff, that have been pre-approved by the Authority to perform the requested services.

C. Duration

This Agreement shall begin upon execution of an award letter issued by the Authority and is expected to continue for twelve months (Base Term), unless otherwise terminated in accordance with the provisions thereof.

D. Confidential Information:

The Agreement with the Consultant(s) will require access to Authority information considered Confidential Information ("CI") 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, which require the execution of a non-disclosure agreement before the provision of CI, are hereby incorporated into the Agreement and will govern the possession, distribution and use of CI. Protecting sensitive information requires the application of uniform safeguarding measures to prevent unauthorized disclosure and to control any authorized disclosure of this information within the Authority or when released by the Authority to outside entities. The Handbook can be obtained upon request or at: <http://www.panynj.gov/business-opportunities/pdf/Corporate-Information-Security-Handbook.pdf>.

Furthermore, the Consultant(s) awarded the Agreement will be required to have its staff, and any subcontractor's staff working under the Agreement, authorize the Authority or its designee to perform background checks. Such authorization shall be in a form acceptable to the Authority. The Consultant(s) (and subconsultant[s]) 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 Consultant(s) (and its subconsultants) 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 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 B: 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 C: COMPANY PROFILE

1. Company Name (print or type):

2. Business Address (to receive mail for this solicitation):

3. Business Telephone Number: _____

4. Business Fax Number: _____

5. Firm website: _____

6. Federal Employer Identification Number (EIN): _____

7. Date (MM/DD/YYYY) Firm was Established: ____/____/____

8. Name, Address and EIN of Affiliates or Subsidiaries (use a separate sheet if necessary):

9. Officer or Principal of Firm and Title:

10. Name, telephone number, and email address of contact for questions:

11. Is your firm certified by the Authority as a Minority-owned, Woman-owned or Small Business Enterprise (M/W/SBE)? Yes No

If yes, please attach a copy of your **Port Authority** certification as a part of this profile.

If your firm is an M/WBE not currently certified by the Authority, see the Authority's web site – <http://www.panynj.gov/business-opportunities/supplier-diversity.html>, to receive information and apply for certification.