

THE PORT AUTHORITY OF NY & NJ
PROCUREMENT DEPARTMENT
4 WORLD TRADE CENTER
150 GREENWICH STREET, 21ST FL.
NEW YORK, NY 10007

12/10/2019

ADDENDUM # 8

To prospective Proposers on RFP # 58819, entitled “Operate, Manage and Maintain the On-Airport Bus Fleet at John F. Kennedy and LaGuardia Airports:

- RFP due January 7, 2020 at 2:00 PM

I. CHANGES/MODIFICATIONS:

- A. Information for Proposers on this Request for Proposals, section 8, entitled “Proposal Submission Requirements”, paragraph G, Proposal, subparagraph 2, Cost Proposal, paragraph a, page 23, second paragraph delete in its entirety with no replacement.
- B. Attachment B, section 8, entitled “Wages, Health and Supplemental Benefits”, page 39 through 44, delete in its entirety and replace with the following:

“Section 8. Wages, Health Benefits and Supplemental Benefits”

(a) Definitions:

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

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worked, including shift differentials, if any. Employee incentive plan payments are not included as Direct Wages.

- 5) “Minimum Hourly Wages” means the levels of fair wages determined by the Port Authority for Employee in each Employee category based on certain benchmarks or other prevailing standards. Employees may not receive Direct Wages lower than the Minimum Hourly Wages stated hereunder.
 - 6) “Health Benefits” means benefits paid for by the Contractor, or covered under Contractor-provided health insurance plans, to cover the costs of healthcare for FTEs and their families.
 - 7) “Supplemental Benefits” means benefits, other than Health Benefits, provided to Employees, including, but not limited to: fair and reasonable vacation allowance, sick leave, holiday, jury duty, birthday, welfare, retirement and non-occupational disability benefits, life, accident, or other such types of insurance that are not required by law, but excluding Health Benefits.
 - 8) “Contract Year”, as used in this Agreement means the twelve (12) month period commencing on the Commencement Date of the Contract and each successive twelve (12) month period thereafter or such portion of a twelve (12) month period that the Contract is in effect if the Contract should expire or be terminated on other than the last day of such twelve (12) month period.
- (b) The Contractor is required to pay Employees no less than the Minimum Hourly Wages as set forth in this provision, unless the Contractor proposes a higher Minimum Hourly Wage, and the higher Minimum Hourly Wage is accepted by the Port Authority.
- (c) The Contractor is required to provide reasonable Supplemental Benefits to its Employees.
- (d) The Contractor is required to provide Health Benefits to FTEs and their families that meet the specific requirements set forth in this provision, and to educate and inform each FTE under this Contract as to any and all Health Benefits the FTE is entitled to under this provision.
- (e) Minimum Hourly Wages

Contractor in the performance of the Services herein, shall pay or provide (and shall cause any subcontractor to pay or provide) not less than the Minimum Hourly Wages set forth for Passenger and Employee Shuttle Drivers in the Rules that can be found at <https://www.panynj.gov/airports/minimum-wage-rules.html>.

(f) The Contractor, in the performance of the Services herein, shall pay for, or provide (and shall cause any subcontractor to pay for or provide) no less than the Health Benefits set forth below:

- (1) Health Benefits shall be provided to FTEs *and* their families.
- (2) Health Benefits shall include a health insurance program that includes all of the following components, at no cost to the FTE:
 - i. up to and including family coverage, as applicable
 - ii. inpatient hospital services
 - iii. outpatient surgical facility
 - iv. emergency room services
 - v. prenatal services
 - vi. well visits/immunizations/routine visits for illness
 - vii. prescription drug benefit

(3) The Contractor shall demonstrate to the satisfaction of the Port Authority that Health Benefits are furnished by the Contractor and all subcontractors through one or more of the following, with **no** Employee contribution to the health coverage premiums:

- i. The Contractor's and subcontractors' FTEs and their families are covered under a health benefit plan paid for and/or provided by the Contractor;
- ii. The Contractor's and subcontractors' FTEs and their families are covered by a union benefit plan authorized under the Taft Hartley Act 29 USCA Section 186;
- iii. FTEs and their families are covered by a government health benefits program, including, but not limited to Healthy New York, Child Health Plus and NJ Family Care.

(4) Health Benefits shall be provided to FTEs and their families no later than thirty (30) days from the first date of the Employee performance under the Contract.

(5) The Contractor shall provide each FTE with written information, i.e. documents relating to each Employee's health care coverage, specifically enumerating the coverages the Employee is entitled to, including, but not limited to, those components required under this provision.

(6) The Contractor shall provide continued Health Benefits to FTEs and their families of the same quality, or better as initially provided under this Contract, throughout the duration of the Contract term.

(g) In the event that the compensation payable under this Contract is subject to adjustment from time to time as provided in the paragraph entitled "Price Adjustment" in the Contract Specific Terms and Conditions, then the Direct Wages shall be adjusted by multiplying said amounts by the same percentage amount

which was used to adjust the compensation payable under this Contract, as the same may have been further adjusted.

- (h) Nothing contained herein shall be construed to prevent the Contractor or any subcontractor from paying or providing any Employee Direct Wages and/or Health Benefits higher than those required and described in this numbered clause. Nothing herein shall be construed to constitute a representation or guarantee by the Port Authority that the Contractor or its subcontractors can obtain Employees for the amounts herein before described.
- (i) Contractors (and its subcontractors) should expect to be audited with respect to Wages, Health Benefits and Supplemental Benefits paid or provided to Employees under this Contract. All Wage and Benefits requirements under this Contract will be strictly enforced. Failure on the part of the Contractor (and its subcontractors) to comply with any of the requirements under this Contract, including but not limited to the timely submission of payroll certifications and documents related to Health Benefits and Supplemental Benefits provided to Employees may be deemed a substantial breach of this Contract giving rise to the rights and remedies enumerated hereafter in the paragraph entitled "Rights and Remedies of the Port Authority" in the Standard Contract Terms and Conditions, as well as any other rights and remedies the Port Authority would have in the absence of such enumeration and remedies the Port Authority would have in the absence of such enumeration and failure to comply with each of these requirements will be taken into consideration prior to award of future contracts with the Port Authority.
- (j) The Contractor (and any subcontractors) shall maintain records in accordance with the requirements set forth in the paragraph entitled "Records and Reports" in the Standard Contract Terms and Conditions.

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

Upon request by the Port Authority, the Contractor (and its subcontractors) shall have fifteen (15) business days to provide such payroll records, information about Health Benefits, and books of account unless the Port Authority indicates, in writing, that such records and books of account may be provided at a later date. Information about Health Benefits includes, but is not limited to, any documentation issued by the insurance provider or plan administrator to the Contractor or the Employees, as permissible under law.

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

(k) Further, the Contractor shall submit to the Port Authority on the fifteenth day of the seventh month following the month in which the Commencement date of the Contract falls and every six months thereafter, and the month following the month in which the terminate date of this Contractor falls, a certified statement signed by an executive officer of the Contractor based upon the Contractor's payroll records which indicated that the Wages and Health Benefits requirements were met during the six month period ending on the last day of the month preceding the date of the submission of the said statement, together with such other detailed information as the Port Authority may request from time to time regarding Wages and Health Benefits paid or provided by the Contractor or its subcontractors to Employees engaged in providing the Contractor's Services under the Contract. The Contractor shall impose all obligations within this clause upon its subcontractors.

(l) In the event that an audit of the Contractor's (or Subcontractors) books and records or the aforesaid monthly statements submitted by the Contractor (or subcontractor) to the Port Authority should disclose that for any Contract Year, either the Contractor or a subcontractor has not paid to the Employee the appropriate Direct Wages, (including any adjustments, if provided for, reflecting changes in the Consumer Price Index or other indices or instruments as identified by the Port Authority), the Contractor shall pay to the Contractor's affected Employees an amount equivalent to the product obtained by multiplying the difference between the amounts actually paid by the number of non-overtime hours worked by the Employee during such Contract year, calculated for each position category (hereinafter referred to as the "Underpayment Amount"). The Port Authority may, in its discretion, elect to deduct the Underpayment Amount due from the Contractor in accordance with the provisions of this Section from any subsequent payment payable to the Contractor under this Contract plus an amount equal to any payroll and associated taxes which would have been paid on the Underpayment Amount from any subsequent payment payable to the Contractor under this Contract.

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

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

C. Attachment B, section 12, entitled "Non-Performance Liquidated Damages", add paragraph (l) as follows:

"In the event an audit conducted in accordance with this Contract determines that the Contractor has not paid for or provided (or caused any subcontractor to pay or provide)

Health Benefits to FTEs and their families as required by the section of the Specifications entitled “Wages, Health Benefits and Supplemental Benefits,” the Contractor shall be assessed ten (\$10) dollars, per FTE, per day, that such Health Benefits were not paid for or provided. Such Health Benefits may be considered to not be paid for or provided if any required element was not included.”

- D. Attachment G, Exhibits, Exhibit 2A, entitled “Calc of Avg Hourly Rate”, delete in its entirety with no replacement.
- E. Attachment G, Exhibits, Exhibit 14, entitled “Sample Wage and Benefits Statement”, delete in its entirety with no replacement.

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

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

THE PORT AUTHORITY OF NY & NJ
Selene Ortega, Manager
Commodities and Service Division

PROPOSER'S FIRM NAME: _____

INITIALED: _____

DATE: _____

QUESTIONS CONCERNING THIS ADDENDUM MAY BE ADDRESSED TO
Richard Grehl, WHO CAN BE REACHED AT (212) 435-4633 or at rgrehl@panynj.gov.