

Torres-Rojas, Genara

From: michael@lehrmanmaseng.com
Sent: Thursday, July 16, 2015 4:20 PM
To: Ollvencla, Mildred
Cc: Torres-Rojas, Genara; Van Duyne, Sheree; Ng, Danny
Subject: Freedom of Information Online Request Form

Information:

First Name: Michael
Last Name: Lehrman
Company: Lehrman & Maseng, PLLC
Mailing Address 1: 389 Willoughby Avenue, Suite 201
Mailing Address 2:
City: Brooklyn
State: NY
Zip Code: 11205
Email Address: michael@lehrmanmaseng.com
Phone: 7185222900
Required copies of the records: Yes

List of specific record(s):

All available records, including bid application package and Arpielle Equipment Co., Inc. the vendor corporate information, concerning Contract Number 4800007385, Purchase Number 4500057816m from July 31, 2008.

List of specific record(s):

Compressor contract that Arpielle delivered to GW Bridge and other Port Authority yards. Arpielle Equipment Co., Inc. had this contract from 2008 to 2009. It was a when and where STANDBY COMPRESSOR CONTRACT 210cfm to 1600cfm.

THE PORT AUTHORITY OF NY & NJ

FOI Administrator

September 1, 2015

Mr. Michael Lehrman
Lehrman & Maseng, PLLC
389 Willoughby Avenue, Suite 201
Brooklyn, NY 11205

Re: Freedom of Information Reference No. 16168

Dear Mr. Lehrman:

This is in response to your July 16, 2015 request, which has been processed under the Port Authority's Freedom of Information Code (the "Code", copy enclosed) for copies of all available records, including bid application package and Arpielle Equipment Co., Inc. the vendor corporate information, concerning Contract Number 4800007385, Purchase Number 4500057816m from July 31, 2008.

Material responsive to your request and available under the Code can be found on the Port Authority's website at <http://www.panynj.gov/corporate-information/foi/16168-C-1.pdf>. Paper copies of the available records are available upon request.

Please refer to the above FOI reference number in any future correspondence relating to your request.

Very truly yours,



Danny Ng
FOI Administrator

Enclosure

*4 World Trade Center, 18th Floor
150 Greenwich Street
New York, NY 10007
T: 212 435 7348 F: 212 435 7555*

THE PORT AUTHORITY OF NY & NJ

FOI Administrator

August 24, 2015

Mr. Michael Lehrman
Lehrman & Maseng, PLLC
389 Willoughby Avenue, Suite 201
Brooklyn, NY 11205

Re: Freedom of Information Reference No. 16168

Dear Mr. Lehrman:

This is in response to your July 16, 2015 request, which has been processed under the Port Authority's Freedom of Information Code (the "Code", copy enclosed) for copies of all available records, including bid application package and Arpielle Equipment Co., Inc. the vendor corporate information, concerning Contract Number 4800007385, Purchase Number 4500057816m from July 31, 2008.

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Please refer to the above FOI reference number in any future correspondence relating to your request.

Very truly yours,



Danny Ng
FOI Administrator

Enclosure

4 World Trade Center, 18th Floor
150 Greenwich Street
New York, NY 10007
T: 212 435 7348 F: 212 435 7555

No change or addition to the terms of this purchase order shall be valid unless in writing and signed by the party to be charged; acceptance by the vendor is limited to the terms contained in this purchase order; and the agreement between the parties formed by this purchase order and the acceptance of the vendor may not be supplemented by course of dealing or usage of trade or by course of performance. Send invoice to your Specific Contract Administrator.

Page 1 Of 2

PO Number/Date

4500057816 / 07/31/2008

Ref: Contract 4600007385



THE PORT AUTHORITY OF NY & NJ

1 Madison Avenue, 7th Floor, New York NY 10010

PURCHASE ORDER

Vendor No. 153147

ARPIELLE EQUIPMENT CO.,INC

5-02 54TH AVENUE

LONG ISLAND CITY NY 11101

Telephone# (718) 414-1025

Fax# (718) 937-4607

Your person responsible ROBERT P. LINEKIN

Our fax number

212-435-3959

Deliver to Address:

Port Authority Technical Center

241 Erie Street - Room 105

Jersey City NJ 07310

Deliver to this address unless a different address is shown below.

Notice: Unless otherwise provided, complete shipment of all items must be made in one delivery. Payments will not be made on partial deliveries unless authorized in advance by the party to be charged and discount will be taken on total order. Ship no goods C.O.D. or transportation charges collect, unless otherwise specified.

Payt. terms: Net 30 Days

| Quantity | Description | Unit Price | Total |
|----------|--|------------|------------|
| | <p>TWO YEAR REQUIREMENTS CONTRACT, RENTAL, TOW-BEHIND AIR COMPRESSORS TERM 9/1/08-08/31/10 AS PER ATTACHED SPECIFICATION G508-44R INCLUDING ADDENDA 1&2</p> <p>REFERENCE QUOTATION DATED 7/21/08</p> <p>YOUR CONTRACT ADMINISTRATOR IS STEVE TKACH @201-216-2371</p> <p>Rental Air Compressors</p> <p>The item covers the following services: Rental Air Compressors</p> <p>Freight Terms FOB DELIVERED Contact person/Telephone Dennis Kopik/212-435-3931</p> | | 338,478.00 |

Total Delivered Price In USD

338,478.00

Sales to the Port Authority, as an instrumentality of the states of New York and New Jersey, are exempt from taxation, in those two states, and from federal taxation, including excise taxes. Certificate of Registry for tax-free transactions under Chapter 32 of the Internal Revenue Code No. 13-730079K. The vendor therefore certifies that there are no such taxes included in the prices shown hereon. The vendor shall retain a copy of the purchase order to substantiate the exempt sales.

For Director,
Procurement Department

TERMS AND CONDITIONS

1. To be valid, this purchase order must be signed by the Director of Procurement of the Port Authority (PA), or her designee.
2. Unless otherwise provided, complete shipment of all items must be in one delivery, FOB delivery point, freight included. Payment will not be made on partial deliveries unless authorized in advance by the party to be charged and the discount, if any, will be taken on the total order.
3. Standard PA payment terms are net 30 days, unless otherwise stated.
4. Sales to the PA and to Port Authority Trans-Hudson (PATH) are currently exempt from New York and New Jersey State and local taxes and generally from federal taxation. The seller certifies that there are no federal, state, municipal or any other sales taxes included in the prices shown hereon.
5. Unless the phrase "No substitute" is indicated, bidder may offer alternate manufacturer/brands, which shall be subject to Port Authority Approval. Please indicate details of product being offered with bid.
6. If the vendor fails to perform in accordance with the terms of this purchase order, the PA may obtain the goods or services from another contractor and charge the seller the difference in price, if any, plus a reletting cost of \$100, plus any other damages to the PA.
7. The vendor may subcontract the services including using a supplier for the furnishing of materials required hereunder, to such persons or entities as the Manager, Purchasing Services may from time to time expressly approve in writing. All further subcontracting shall also be subject to such approval.
8. Upon request, vendors are encouraged to extend the terms and conditions of this agreement with the PA to other government and quasi-government entities by separate agreement.
9. If the vendor's office set forth herein is not located in the states of New York or New Jersey, this agreement shall be construed in accordance with the laws of the State of New York, not including conflict of law provisions.
10. All notices in connection with this agreement shall be sent by the vendor to the Port Authority of NY & NJ, Manager, Purchasing Services Division, One Madison Ave. - 7th floor, New York, New York 10010.
11. The vendor shall not issue nor permit to be issued any press release, advertisement, or literature of any kind, which refers to the Port Authority or to the fact that goods have been, are being or will be provided to it and/or that services have been, are being or will be performed for it in connection with this Agreement, unless the vendor first obtains the written approval of the Port Authority. Such approval may be withheld if for any reason the Port Authority believes that the publication of such information would be harmful to the public interest or is in any way undesirable.



THE PORT AUTHORITY OF NY & NJ

**THE PORT AUTHORITY OF NEW YORK & NEW JERSEY
PURCHASING SERVICES DIVISION
ONE MADISON AVENUE 7TH FL.
NEW YORK, NY 10010**

Date July 11, 2008

ADDENDUM #2

To prospective bidders/proposers on bid/RFP # 15961 for Rental, Tow-Behind Air Compressors

- Due back on 7/29/08, no later than 11:00AM
- Originally due on 7/15/08, no later than 11:00AM

The following changes are hereby made in the documents:

THE DUE DATE OF THE ABOVE BID HAS BEEN CHANGED TO JULY 29, 2008.

Add the following language to the compressor contract on page 14, Part II Specifications, Specifications for All Categories - Air Compressors:

- All Vehicles must be in compliance with New York City Local Law No. 77.
 - ❖ "Nonroad Vehicle" means a vehicle that is powered by a nonroad engine, fifty horse power and greater.
 - ❖ Any Diesel-powered nonroad vehicle that is owned by, operated by or on behalf of, or leased or rented by the Port Authority shall utilize the best available technology for reducing the emission pollutants.

This communication should be initialed by you and annexed to your bid/proposal upon submission.

In case any bidder/proposer fails to conform to these instructions, its bid/proposal will nevertheless be construed as though this communication had been so physically annexed and initialed.



THE PORT AUTHORITY OF NY & NJ

**THE PORT AUTHORITY OF NEW YORK & NEW JERSEY
PURCHASING SERVICES DIVISION
ONE MADISON AVENUE 7TH FL.
NEW YORK, NY 10010**

Date June 17, 2008

ADDENDUM #1

To prospective bidders/proposers on bid/RFP # 15961 for Rental, Tow-Behind Air Compressors

- Due back on 7/15/08, no later than 11:00AM
- Originally due on 7/15/08, no later than 11:00AM

The following changes are hereby made in the documents:

See attached pricing pages of the prior bid for the above contract.

This communication should be initialed by you and annexed to your bid/proposal upon submission.

In case any bidder/proposer fails to conform to these instructions, its bid/proposal will nevertheless be construed as though this communication had been so physically annexed and initialed.

THE PORT AUTHORITY OF NY & NJ

**JANE CETERKO, MANAGER
PURCHASING SERVICES DIVISION**

BIDDER'S/PROPOSER'S FIRM NAME: _____

INITIALED: _____

DATE: _____

PS11A11

**Contract for the Rental of
Tow Behind Portable Diesel Engine Driven Air Compressors**

PART I - CONTRACT DESCRIPTION

- GENERAL AGREEMENT

PART II - SPECIFICATIONS

- UNIT SPECIFICATIONS

PART III - PRICING SHEET

- ENTRY OF CHARGES/PRICE PAGE

SAP # 100

Tracking # G508-44R

DATE: June 1, 2008

PART I - CONTRACT DESCRIPTION

1. GENERAL AGREEMENT

This is a Two (2) year Requirements with extension options for two (2) additional one year consecutive periods, awarded to the lowest qualified Bidder, to supply rentals of a Various sized output Trailer Mounted Portable Diesel Driven Air Compressors for use at the Port Authority's facilities. The estimated maximum number of Various sized output Trailer Mounted Portable Diesel Driven Air Compressors to be rented at any given time is Amount (1). This estimated quantity and frequency of rentals are for bid evaluation purposes only. The Port Authority does not guarantee the actual number of Mobile Abrasive Blasting System that will be required during the term of this contract.

| Category | Description | Estimated Quantity* |
|----------|------------------------------|---------------------|
| I | 185-200 CFM Air Compressor | 5 |
| II | 375-425 CFM Air Compressor | 3 |
| III | 750-825 CFM Air Compressor | 2 |
| IV | 1300-1600 CFM Air Compressor | 2 |

*Estimated maximum number of units needed at any one time

2. DURATION

The initial term of this contract shall be a two (2) year Requirements Contract. The Port Authority shall have the option to extend this contract for up to two (2) consecutive additional one (1) year periods. Should the Port Authority elect to exercise the option(s), it shall notify the Vendor in writing at least thirty (30) days prior to the expiration date of the contract, and, if applicable, the extension period thereafter. The first option shall begin on the day after the anniversary of the one-year term and the second option shall begin on the day after the anniversary of the first option. Termination of this contract shall be in accordance with the terms set forth in this agreement.

3. OPTIONS AND ESCALATIONS

For each year (s) following the first year of the Base Term and for each year of any Option Period that is applicable to this Contract and is exercised hereunder, (excluding the 120 day Extension Period as described in the paragraph entitled "Duration" in Part III, hereof) the Port Authority shall adjust the compensation due the Contractor utilizing the Consumer Price Index for all Urban Consumers; Series Id: CUUSA101SA0L2; Not Seasonally Adjusted; New York-Northern New Jersey-Long Island, NY-NJ-CT-PA area; all items less shelter; 1982-1984=100, published by the Bureau of Labor Statistics of the United States Department of Labor (hereinafter called the "Price Index).

The term "Anniversary Date" shall mean the date(s) of the first and each succeeding twelve-month period from the Commencement Date of this Contract. The term "Annual Period" shall mean each and any twelve-month period hereafter commencing on the Commencement Date and on each Anniversary Date thereafter.

Effective on the first day of the month after the Expiration Date and thereafter on the first day of the month of each succeeding Expiration Date during the Base Term and any Option Period exercised (excluding the 120 day Extension Period) hereunder, the compensation payable shall be adjusted as follows:

For the Annual Period that is subject to adjustment, the Price Index shall be determined for the months of the date that is eighteen (18) months prior to the Expiration Date commencing the Annual Period to be adjusted, and the date that is six (6) months prior the Expiration Date commencing the Annual Period to be adjusted. The compensation payable in the Annual Period preceding the Annual Period subject to adjustment, shall be multiplied by a fraction, the numerator of which is the Price Index for the month and year represented by the date which is six (6) months prior to the Expiration Date commencing the Annual Period to be adjusted, and the denominator of which is the Price Index for the month and year represented by the date which is eighteen (18) months prior to the Expiration Date commencing the Annual Period to be adjusted. Except for when the Annual Period to be adjusted is an Option Period, such a fraction shall not exceed three percent (3%) per annum. The resulting product shall be the compensation payable in the Annual Period subject to adjustment.

In the event of a change in the basis or the discontinuance of the publication by the United States Department of Labor of the Price Index, such other appropriate index shall be substituted as may be agreed to by the parties hereto as properly reflecting changes in value of the current United States money in a manner similar to that established in the said Price Index. In the event of the failure of the parties to so agree, the Port Authority may select and use such index, as it deems appropriate.

4. DELIVERY OF RENTAL UNITS

The Vendor shall provide delivery of the requested rental equipment within 48 hours from telephone notification to the Vendor by authorized Port Authority personnel. Unless otherwise specified at the time of order, all equipment shall be delivered to a designated Port Authority location (See the page with Port Authority Facility locations and addresses at the end of the Contract). Failure to deliver the ordered equipment within 48 hours from notification may be considered a breach of this contract and the Vendor may be held liable for all costs associated with procuring an equivalent replacement piece of equipment from another Vendor. The Port Authority may also liquidate damages at \$50.00 per day from the total amount due on the next invoicing until the equipment is delivered.

Delivery of all units shall be "on the ground" with the unit fully assembled, serviced, fueled and ready for operation. The Port Authority will not, under any circumstances, provide staff or equipment to assist in loading, unloading or assembly of the rental unit.

5. REMOVAL OF RENTAL UNITS

The Vendor shall be responsible for the removal of each rental unit at the end of the rental period within 24 hours from notification by authorized Port Authority personnel. Notification shall be via telephone, email or fax to the Vendor. The Port Authority shall have the right to deduct storage fees of \$50.00 per day from the total amount due on the next invoicing for any equipment left after this 24-hour period.

6. ACCEPTANCE AND RETURN

The Port Authority reserves the right to reject a unit that does not meet the specifications listed under Part II, Specifications, or is deemed unsafe by the Port Authority. If the Port Authority does not accept delivery of a unit for any of the above referenced reasons, the Vendor shall be responsible for the removal of the unit, including any costs associated with the delivery and pickup of the rejected unit. The Vendor shall then replace the rejected unit with a unit meeting the specifications and safety requirements set forth by the Port Authority and delineated in Part I, Section 13-SAFETY and Part II, Specifications. The replacement unit shall be delivered to the Port Authority within 24 hours of the first delivery. If the Vendor cannot provide a unit in the time specified, the Port Authority reserves the right to seek an alternate source of supply. The Port Authority also reserves the right to assess damages as follows. The Vendor may be held liable for all costs associated with procuring an equivalent replacement rental unit from another Vendor. In addition the Port Authority may also liquidate damages at \$50.00 per day from the contract compensation until the requested equipment is delivered to the Port Authority.

The Vendor shall provide a comprehensive check-list/acceptance sheet for the rental unit at the time of delivery. The Vendor and a Port Authority representative, upon inspection of the unit, shall sign for the condition of the unit at the time and date of delivery, listing all damage or missing items from the unit. A Port Authority representative may take pictures of the unit at delivery and/or pickup times. The Vendor must record the name, employee number and signature of the individual accepting the unit, the date, time and location of the delivery, and the serial number, property number, or other discrete identifier of the rental unit delivered. A copy of this delivery acceptance sheet shall be provided to the Port Authority representative immediately.

The Vendor shall provide a copy of the same check-list/acceptance-sheet at the time the unit is picked up by the Vendor. The Vendor's representative and a Port Authority representative shall sign for the condition of the unit at time of return. A copy of this pick-up acceptance sheet shall be provided to the Port Authority representative immediately.

Failure to provide a copy of the check-list/acceptance sheet to a Port Authority representative will make null and void any claims by the Vendor for damage to the rental unit. Also claims for damage or missing item(s) not indicated on the signed check-list/acceptance sheets clearly indicating the damage or missing item(s) at the time of pick up will not be considered.

The Vendor may use standard printed comprehensive check-list/acceptance-sheets, however, the language contained in this contract supersedes however any terms, conditions, or other statements or language printed on the Vendors form.

7. DISCLAIMER

Estimated usage, quantities and/or duration of rentals are for bid evaluation purposes only and do not guarantee what quantity, if any, may be rented from the Vendor.

8. FUELING

The vehicle must be supplied with a full tank of fuel upon delivery. The Port Authority will not guarantee nor be responsible or charged for any fuel on rental units returned to the Vendor with low fuel levels.

9. LICENSE PLATES

All units must be delivered with valid License Plates for use on public roads if necessary as deemed by the State of New York or New Jersey. The Port Authority will not accept units with "In Transit" License Plates.

10. TERMINATION

The Authority reserves the right to cancel this contract without cause, at no cost or penalty to the Port Authority, upon written notice to the Vendor. In the event of such a cancellation written notice will be provided to the Vendor ten (10) days prior to the effective date of the cancellation of such contract.

11. PAYMENT

The Vendor shall be paid only for rentals properly authorized and actually delivered and thereafter accepted by the Manager, or his authorized representative, in accordance with the terms and conditions set forth in this specification.

The Port Authority's standard terms of payment are net thirty (30) days upon completion of the rental month and the receiving of a currently dated invoice. Port Authority shall review any invoice bearing dates other than the current month to determine if charges are substantiated. If for any reason these invoices cannot be substantiated, the invoice will be returned unpaid to the Vendor.

Invoices will be reviewed by Port Authority personnel to verify that the charges conform to the rates quoted by the Vendor herein.

ALL invoices MUST include ALL of the following information for each piece of equipment rented to the Port Authority:

- Make, model number and year of manufacture of the rented unit.
- Serial or Vin number of the rented unit.

- Automotive Request Number (RQ#). RQ#'s are provided to the Vendor at the time the rental order is placed along with the first name, last name and the phone number of the Port Authority Representative who requested the unit. Invoices that do not reference an RQ# will be returned to the Vendor unpaid.

- Port Authority Purchase Order number.

- Rental charge period. Start and end date of each rental month.

- Copies of both of the signed delivery and pickup comprehensive check-list/acceptance-sheets with the first invoice for newly rented equipment and last invoice for the returned rented equipment respectively.

- Detailed information on any charges for damage, or missing parts. For damage the Port Authority requires a written estimate from an independent estimator. (Note: All damage claims must be submitted with the last rental invoice. Claims made after the rental invoice has been submitted to and paid for by the Port Authority will not be honored.)

The Vendor shall send all invoices and any correspondence regarding rentals to:

Port Authority of NY & NJ
Central Automotive Division
241 Erie Street, Room 307
Jersey City, NJ 07310-1397
Attention: Contract Administrator-Rentals

12. AUDIT

For the duration of this agreement and for a period of two (2) years thereafter, the Vendor shall maintain such records as may be required by the Port Authority to substantiate the prices charged the Port Authority under this agreement. The Port Authority shall have the right to audit such records for the purpose of ascertaining whether the Port Authority has paid to the Vendor prices in excess of those to be specified herein. If an audit discloses that the Authority has paid to the Vendor prices in excess of those to be charged as specified herein, the Vendor shall refund to the Port Authority the excess charges and/or the Port Authority may withhold out of any payment otherwise due the Vendor the amount of such overcharge.

13. SAFETY

The units shall comply with all current, applicable DOT, FMVSS, Federal, NY and NJ State and Local requirements, as well as OSHA Safety Standards for Equipment. The delivered units shall be in a safe operating condition as determined by the Port Authority Engineer or an assigned designee. A safety and operational checklist must be incorporated into the Vendor's acceptance and delivery form.

14. TRAINING

The Vendor shall provide safety and operational training for each rental at no additional cost to the Port Authority. This training shall be performed at the time of delivery and shall be adequate to insure the operator is capable of and comfortable with operating the unit. Training will include that the operator will be familiarized with the capabilities and limitations of the unit. The Vendor shall provide a receiving sheet having a space indicating the name and signature of the employee trained.

15. REPAIRS

The Vendor shall be responsible for all routine maintenance and repairs needed on rented equipment without additional charges of such to the Port Authority of NY & NJ where the need of a repair arises despite the Port Authority's proper use of the unit and is not due to accident, intentional willful act or abuse. The Vendor shall perform all repairs within 24 hours of telephone notification by Port Authority personnel. If repairs cannot be made within this time period, the Vendor will supply an equal replacement within this time. If repair or replacement is not made within 24 hours, the Port Authority may liquidate damages at twice the daily rental rate from the contract compensation until the time repair or replacement is made. In the event any unit is rented for more than 30 continuous days, the Port Authority retains the right to perform minor repairs and routine maintenance at its own discretion. The Port Authority is not responsible for "normal" wear and tear of equipment/vehicles.

16. RECOVERY DUE TO A LOSS

Net Asset Value is the "fair market value" of the rental equipment listed on the Part III, Pricing Pages, and shall not be more than the original cost of the rental equipment listed on the Pricing Pages, less any applicable depreciation. The Vendor shall insert on the Pricing Pages the Net Asset Value of the rental vehicles. The Net Asset Value is the price that the Vendor could seek from the Port Authority should the rental equipment be stolen or totaled during the term of the rental. The depreciation shall be calculated by taking 1/10th of the original Net Asset Value off for each calendar year from the date of vehicle manufacture. When the vehicle has reached an age of ten years or more the depreciation shall remain at 1/10th of the original Net Asset Value of the vehicle. In the event of a loss, the Port

Authority may settle such loss by paying the imputed Net Asset Value of said vehicle, at the time of the loss.

If the Port Authority settles such loss by payment to the Vendor for the loss, the Vendor will sign the title of the said vehicle over to the Port Authority and the Vendor will then waive its right to any further claims for this loss against the Port Authority and the Vendors insurance company.

If at any time the Port Authority does not agree to the listed Net Asset Value that the Vendor has indicated on the Pricing Pages, the Port Authority may, at its option, retain a mutually agreeable equipment appraiser to perform an appraisal in order to determine the Net Asset Value. The Port Authority and Vendor agree to accept the findings of the appraisal, as the Net Asset Value.

17. MAXIMUM RENTAL CHARGES OVER THE CONTRACT PERIOD

The maximum monies paid by the Port Authority for any single continuous rental during the Contract Period, including extension option periods, shall not exceed the Net Asset Value of the rental vehicle plus Vendor's profit and overhead. The Net Asset Value shall not exceed, in any case, the Manufacturers Suggested Retail Price (MSRP) of a current model (i.e. most recent vintage) vehicle that is the same make and model as the vehicle rented to the Port Authority. The current Maximum Asset Recovery amount will be calculated by taking the numbers that the Vendor has supplied on Part III-Pricing Pages, from the Declared Unit Value (Net Asset Value) entry and Maximum Asset Recovery percentage entry, then multiplying the two numbers together. The result of this calculation will then be added to the original Declared Unit (Net Asset Value) value, yielding the maximum amount of money the Port Authority will pay for the same rental vehicle during the Contract Period. The Vendor shall enter the Maximum Asset Recovery percentage in the space provided on the Part III-Pricing Pages. The range of the Maximum Asset Recovery shall be 0% to 35%. The maximum percentage to be recovered for profit and overhead shall be no more than 35%. The Declared Unit Value (Net Asset Value) listed on Part III, the pricing page will be reduced by 10% in value for every additional year old the vehicle is that the Vendor has provided to the Port Authority. A vehicle provided by the Vendor shall not go below 1/10th of the value of the original Declared Unit Value (Net Asset Value) listed for a vehicle that is more than Ten (10) years old.

Example: It is the year 2006. The Vendor lists a 2006 Ford F150 as the vehicle they are going to supply to the Port Authority for rental. The Vendor declares the net asset value of this vehicle as \$22,000.00. The Vendor then supplies the 2006 Ford F150 to the Port Authority in the year 2008, the vehicles net asset value of \$22,000.00 will be reduced by 10 percent per year old. This vehicle would have a new Net Asset Value of \$17,600.00.

When a rental cost to the Port Authority for an individual vehicle reaches maximum amount to be recovered by the Vendor, no further rental payments will be paid by the Port Authority,

other than for repairs due to damaged and/or missing items, and the Port Authority shall have the option of buying the rental vehicle for one dollar.

At any time during the contract period prior to the rental cost to the Port Authority reaching the maximum amount to be recovered by the Vendor, the Port Authority may elect to purchase the vehicle upon thirty days written notice to the Vendor. The purchase price to the Port Authority shall be the maximum amount to be recovered by the Vendor minus all rental payments made and owing by the Port Authority at the expiration of the thirty-day notice period, the final rental installment to be prorated to the expiration of the thirty-day notice period. Payment shall be made within seven (7) working days of the expiration of the notice period.

The Vendor will not be able to change out a vehicle to sell during the Contract period for any reason unless directly requested by the Rental coordinator. Vehicle change outs will only be done due to a failure of rental vehicle and the repair not being within the scope of this Contract or the Port Authority's ability to repair the vehicle.

If the Port Authority has chosen to purchase the vehicle for one dollar, the Vendor will provide the Port Authority with a clear title to the vehicle at no additional charge within 30 days of receipt of payment.

Titles will be sent to: The Port Authority of NY & NJ
 241 Erie St., Room 307
 Jersey City, NJ 07310
 Attention: Rental Coordinator

18. VEHICLE PURCHASE OPTION

At any time during the contract period, including extension periods, if any, prior to the rental cost to the Port Authority reaching the maximum amount to be recovered as stated in **Part III, Pricing Pages**, by the Vendor, the Port Authority may elect to purchase the rented equipment providing the Port Authority has rented this vehicle for six continuous months and upon thirty days written notice to the Vendor. The purchase price to the Port Authority shall be the maximum amount to be recovered by the Vendor minus all rental payments made and owing by the Port Authority at the expiration of the thirty-day notice period, the final rental installment to be prorated to the expiration of the thirty-day notice period. Payment shall be made within seven (7) working days of the expiration of the notice period. The Vendor shall provide the Port Authority with a clear title to the vehicle at no additional charge within 30 days of receipt of payment.

Titles will be sent to: The Port Authority of NY & NJ
 241 Erie St., Room 307
 Jersey City, NJ 07310
 Attention: Rental Coordinator

19. RENTAL TERMS, RATES AND DEFINITIONS

The Rental Period - The rental period will begin on the date the rental unit is delivered to the designated facility and is accepted as a working unit. The period will end on the date when the rental unit is called off rent. The vendor will provide a confirmation number at the time the rental is called off rent.

Rental Month - A Rental Month shall equal one-twelfth (1/12) of a calendar year (e.g. 6/1/03 to 6/30/03, 7/15/03 to 8/14/03)

Monthly Rate - The Monthly Rate is the charge for renting the unit for one Rental Month.

Daily Rate - The Daily Rate shall equal one-thirtieth (1/30) of the monthly rate. Rentals that are less than a Rental Month shall be billed on a pro rata basis at 1/30 of the monthly rate for each calendar day.

Vehicle Purchase Option - The Option to purchase the rental vehicle at any time during the Contract period if the Port Authority chooses to do so.

Maximum Rental Charges Over The Contract Period - The maximum amount the Port Authority will pay for a rental as listed by the Vendor in Part III, Pricing Pages due to a loss or if the Port Authority chooses to purchase the vehicle. (This amount shall be reduced by all of the rental amounts paid and owed by the Port Authority. The Vendor shall provide a clean title for the vehicle to the Port Authority at no additional charge within 30 days of receipt of the payment.)

Delivery and Pick up Charges - The amount charged to deliver and pick up the unit at the beginning and the end of the rental respectively. The Delivery Charge shall be included on the first invoice for the delivered unit. The Pick up Charge shall be included on the last invoice for the picked up unit.

The above terms and definitions shall apply to all the rentals under this agreement. Rates submitted on the attached bid evaluation calculation sheets shall be the rental rates under the terms of the agreement upon award.

20. INDEMNIFICATION

The Port Authority shall indemnify and hold harmless the Vendor from and against all claims and demands for death, personal injury and for damages to tangible property, of third persons (including employees, officers, Vendors and agents of the Port Authority), arising out of the Port Authority's use of the units furnished by the Vendor under this Contract, and for all expenses incurred by Vendor in the defense, settlement or satisfaction thereof, but only to the extent such claims and demands do not arise from the negligence or willful intentional acts of the Vendor. As a condition precedent to such indemnification, Vendor shall tender the defense of any such claims or demand to the Port Authority, which may use the services of

counsel of its choice in such defense, and the Vendor shall cooperate with the Port Authority and its counsel in such defense, including any settlement of such claims or demands.

The Vendor shall indemnify and hold harmless the Port Authority from and against all claims and demands for death, personal injury and for damages to tangible property of the Port Authority and of third persons (including employees, officers, Vendors and agents of the Port Authority), arising out of the Port Authority's use of the units furnished by the Vendor under this Contract, and for all expenses incurred by the Port Authority in the defense, settlement or satisfaction thereof, but only to the extent such claims and demands arise from the negligence or willful intentional acts of the Vendor. As a condition precedent to such indemnification, the Port Authority shall tender the defense of any such claims or demand to the Vendor, which may use the services of counsel of its choice in such defense, and the Port Authority shall cooperate with the Vendor and its counsel in such defense, including settlement of such claims or demands.

21. INSURANCE PROCURED BY THE CONTRACTOR GITS# 3267N

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

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

Automobile Liability Insurance - \$ 2 million combined single limit per accident for bodily injury and property damage liability.

In addition, the liability policy-(ies) shall name The Port Authority of NY and NJ as additional insured, including but not limited to premise-operations, products-completed operations on the Commercial General Liability Policy. Moreover, the Commercial General Liability Policy shall not contain any provisions for exclusions from liability other than provisions for exclusion from liability forming part of the most up to date ISO form or its equivalent unendorsed Commercial General Liability Policy. The liability policy (ies) and certificate of insurance shall contain cross-liability language providing severability of interests so that coverage will respond as if separate policies were in force for each insured. Furthermore, the Contractor's insurance shall be primary insurance as respects to the above additional insured (s), its representatives, officials, and employees. Any insurance or self insurance maintained by the above additional insured (s) shall not contribute to any loss or claim. These insurance requirements shall be in effect for the duration of the contract to include any warrantee/guarantee period.

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

"The insurer(s) shall not, without obtaining the express advance written permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the Tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority, or the provisions of any statutes respecting suits against the Port Authority."

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

Each policy above shall contain a provision that the policy may not be canceled, terminated, or modified without thirty (30) days' prior written notice to the Port Authority of NY and NJ, Att:

Facility Contract Administrator, at the location where the work will take place and to the General Manager, Risk Management.

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

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

If at any time the above liability insurance should be canceled, terminated, or modified so that the insurance is not in effect as above required, then, if the Manager shall so direct, the Contractor shall suspend performance of the contract at the premises. If the contract is so suspended, no extension of time shall be due on account thereof. If the contract is not suspended (whether or not because of omission of the Manager to order suspension), then the Authority may, at its option, obtain insurance affording coverage equal to the above required, the cost of such insurance to be payable by the Contractor to the Port Authority.

Renewal certificates of insurance or policies shall be delivered to the Facility Contractor Administrator, Port Authority at least thirty (30) days prior to the expiration date of each expiring policy. The General Manager, Risk Management must approve the renewal certificate(s) of insurance before work can resume on the facility. If at any time any of the certificates or policies shall become unsatisfactory to the Port Authority, the Contractor shall promptly obtain a new and satisfactory certificate and policy.

The requirements for insurance procured by the Contractor shall not in any way be construed as a limitation on the nature or extent of the contractual obligations assumed by the Contractor under this contract. The insurance requirements are not a representation by the Authority as to the adequacy of the insurance to protect the Contractor against the obligations imposed on them by law or by this or any other Contract. CITS# 3267N

PART II - SPECIFICATIONS

At the start of the contract and throughout the contract term, including all option periods, all of the rental equipment delivered to and in use by the Port Authority shall be less than Five (5) years old. If the rental equipment delivered to the Port Authority becomes Six years old, the Rental equipment shall be exchanged for a newer model unit.

Example: A Rental piece delivered to the Port Authority in 2008 is a model year 2003, in 2009 the rental piece would no longer meet the contract terms and the unit would need to be exchanged for a 2004 or newer model year.

In addition, Specifications listed below are general in nature but apply to all Rental Equipment supplied to the Port Authority under this rental agreement. Any unit not meeting these general specifications, in addition to any specific requirements not stated herein shall be returned to the Vendor as not rented.

Specifications For All Categories – Air Compressors

- Less than Five (5) years old at the time of delivery to the Port Authority and during the contract term.
- Equipped with manufacturers standard roadway lighting necessary to conform to all federal, state and local requirements.
- Powered by a diesel engine.
- Equipped with a standard 7- pole trailer connector.
- Vehicles must have valid License Plate(s) from New York or New Jersey for use on public roads as required by the States of New York and/or New Jersey.
- Vehicles shall have an up to date state DMV inspection sticker if required and valid original or duplicate registration as issued from the state in which the vehicle is registered as required. (No photo copies will be accepted)
- Vehicle shall have a valid insurance card as issued by the insurance company.
- Equipped with a Pintle hook style hitch and safety chains per FMVSS requirements.

*Equivalentents shall be determined and approved by a designated Port Authority representative.

All units must meet the requirements listed under Section 13-SAFETY.

PART III - PRICING PAGES

CATEGORY I: Portable 185-200 CFM Air Compressor

Declared Unit Net Asset Value (Cost of Vehicle minus depreciation): = \$ 10,900.00
 (See Section 16 & 17)

Maximum Asset Recovery Percentage 135 %
 (Percent used to calculate MAXIMUM RENTAL CHARGES (MAX - 35%)
 OVER THE CONTRACT PERIOD, See Section 16 & 17)

Maximum amount to be Recovered by the Vendor \$ 14,715.00
 (Net Asset Value plus the calculated amount from the Maximum Asset
 Recovery Percentage as stated in Section 17, MAXIMUM RENTAL
 CHARGES OVER THE CONTRACT PERIOD.)

This amount shall be reduced by any rental payments made and owed by the Port Authority as stated
 in Section 18, VEHICLE PURCHASE OPTION if the Port Authority chooses to purchase the
 vehicle and may be used for a vehicle loss if less than the depreciated net asset value as calculated
 using Section 16, RECOVERY DUE TO A LOSS.)

Rental and Transport Charges

| Monthly Unit Rental Charge | | Estimated number of monthly rentals for 2 years** | | Total | |
|---|---|--|---|-------------------------|--|
| \$ <u>390</u> | X | 120 | = | "A" \$ <u>46,800.00</u> | 2008 JUL 29 P AM 11: 12 PROCUREMENT |
| Delivery Charge | | Estimated number of Deliveries for 2 years** | | | |
| \$ <u>0</u> | X | 75 | = | "B" \$ <u>0</u> | |
| Pick up Charge | | Estimated number of Pick ups for 2 years** | | | |
| \$ <u>0</u> | X | 75 | = | "C" \$ <u>0</u> | |
| TOTAL FOR TWO (1) YEARS - CATEGORY I | | | | = | "D" \$ <u>46,800.00</u> |
| (Sum of "A", "B" & "C") | | | | | |

TOTAL FOR BID EVALUATION PURPOSES ONLY.

** Units are rented on an as needed basis; deliveries and pick-ups will vary as the need arises.

CATEGORY II: Portable 375-425 CFM Air Compressor

Declared Unit Net Asset Value (Cost of Vehicle minus depreciation): = \$ 34,500.00
(See Section 16 & 17)

Maximum Asset Recovery Percentage 135 %
(Percent used to calculate MAXIMUM RENTAL CHARGES (MAX - 35%)
OVER THE CONTRACT PERIOD, See Section 16 & 17)

Maximum amount to be Recovered by the Vendor \$ 46,575.00
(Net Asset Value plus the calculated amount from the Maximum Asset Recovery Percentage as stated in Section 17, MAXIMUM RENTAL CHARGES OVER THE CONTRACT PERIOD.)

This amount shall be reduced by any rental payments made and owed by the Port Authority as stated in Section 18, VEHICLE PURCHASE OPTION if the Port Authority chooses to purchase the vehicle and may be used for a vehicle loss if less than the depreciated net asset value as calculated using Section 16, RECOVERY DUE TO A LOSS.)

Rental and Transport Charges

| Monthly Unit Rental Charge | | Estimated number of monthly rentals for 2 years** | | Total |
|--|---|---|-------|---------------------------|
| \$ <u>999</u> | X | 72 | = "A" | \$ <u>71,928.00</u> |
| | | | | 2008 APR 29 AM 11:12 |
| Delivery Charge | | Estimated number of Deliveries for 2 years** | | |
| \$ <u>0</u> | X | 50 | = "B" | \$ <u>0</u> |
| Pick up Charge | | Estimated number of Pick ups for 2 years** | | |
| \$ <u>0</u> | X | 50 | = "C" | \$ <u>0</u> |
| TOTAL FOR TWO (2) YEARS - CATEGORY II | | | | = "D" \$ <u>71,928.00</u> |
| (Sum of "A", "B" & "C") | | | | |

** Units are rented on an as needed basis; deliveries and pick-ups will vary as the need arises.

PROCUREMENT

CATEGORY III: Portable 750-825 CFM Air Compressor

Declared Unit Net Asset Value (Cost of Vehicle minus depreciation): = \$ 69,500.00
 (See Section 16 & 17)

Maximum Asset Recovery Percentage
 (Percent used to calculate MAXIMUM RENTAL CHARGES
 OVER THE CONTRACT PERIOD, See Section 16 & 17)

135 %
 (MAX - 35%)

Maximum amount to be Recovered by the Vendor
 (Net Asset Value plus the calculated amount from the Maximum Asset
 Recovery Percentage as stated in Section 17, MAXIMUM RENTAL
 CHARGES OVER THE CONTRACT PERIOD.)

\$ 93,825.00

This amount shall be reduced by any rental payments made and owed by the Port Authority as stated
 in Section 18, VEHICLE PURCHASE OPTION if the Port Authority chooses to purchase the
 vehicle and may be used for a vehicle loss if less than the depreciated net asset value as calculated
 using Section 16, RECOVERY DUE TO A LOSS.)

Rental and Transport Charges

| Monthly Unit Rental Charge | | Estimated number of monthly rentals for 2 years** | | Total |
|---|---|--|-------|---------------------------|
| \$ <u>1695.</u> | X | 50 | = "A" | \$ <u>84,750.00</u> |
| Delivery Charge | | Estimated number of Deliveries for 2 years** | | |
| \$ <u>0</u> | X | 25 | = "B" | \$ <u>0</u> |
| Pick up Charge | | Estimated number of Pick ups for 2 years** | | |
| \$ <u>0</u> | X | 25 | = "C" | \$ <u>0</u> |
| TOTAL FOR TWO (2) YEARS - CATEGORY III | | | | = "D" \$ <u>84,750.00</u> |
| (Sum of "A", "B" & "C") | | | | |

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PROCUREMENT

** Units are rented on an as needed basis; deliveries and pick-ups will vary as the need arises.

CATEGORY IV: Portable 1300-1600 CFM Air Compressor

Declared Unit Net Asset Value (Cost of Vehicle minus depreciation): = \$ 123,000.00
(See Section 16 & 17)

Maximum Asset Recovery Percentage
(Percent used to calculate MAXIMUM RENTAL CHARGES
OVER THE CONTRACT PERIOD, See Section 16 & 17)

135 %
(MAX - 35%)

Maximum amount to be Recovered by the Vendor
(Net Asset Value plus the calculated amount from the Maximum Asset
Recovery Percentage as stated in Section 17, MAXIMUM RENTAL
CHARGES OVER THE CONTRACT PERIOD.)

\$ 166,050.00

This amount shall be reduced by any rental payments made and owed by the Port Authority as stated
in Section 18, VEHICLE PURCHASE OPTION if the Port Authority chooses to purchase the
vehicle and may be used for a vehicle loss if less than the depreciated net asset value as calculated
using Section 16, RECOVERY DUE TO A LOSS.)

Rental and Transport Charges

| Monthly Unit Rental Charge | | Estimated number of monthly rentals for 2 years** | | Total |
|--|---|--|-------|----------------------------|
| \$ <u>2700.</u> | X | 50 | = "A" | \$ <u>135,000.00</u> |
| Delivery Charge | | Estimated number of Deliveries for 2 years** | | |
| \$ <u>0</u> | X | 25 | = "B" | \$ <u>0</u> |
| Pick up Charge | | Estimated number of Pick ups for 2 years** | | |
| \$ <u>0</u> | X | 25 | = "C" | \$ <u>0</u> |
| TOTAL FOR TWO (2) YEARS - CATEGORY IV | | | | = "D" \$ <u>135,000.00</u> |
| (Sum of "A", "B" & "C") | | | | |

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 PROCUREMENT

** Units are rented on an as needed basis; deliveries and pick-ups will vary as the need arises.

TOTAL FOR BID EVALUATION PURPOSES ONLY. = "E" \$ 338,478.00
(Sum of Category I - "D", II - "D", III - "D" & IV - "D" = "E")

Trailer Mounted Portable Tow Behind Diesel Engine Driven Air Compressors

Contract Signature Page:

Vendor Name: Arpielle Equipment Co., Inc.

Contact Name: Robert Linekin

Signature: (Print)


Title: President

Date: 7/21/08

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PROCUREMENT

List of designated Port Authority Automotive Shops.

Brooklyn Piers
90 Columbia St.
Brooklyn, NY 11201

George Washington Bridge
220 Bridge Plaza South
Fort Lee, NJ 07024

John F. Kennedy International Airport
Building 14
Jamaica, NY 11430

LaGuardia Airport
Building 84
Flushing, NY 11371

Lincoln Tunnel
500 Blvd. East
Weehawken, NJ 07087

Newark International Airport
Building 11
Newark, NJ 07114

JAMS/PA Tech. Center
777 Jersey Avenue
Jersey City, NJ 07310

Port Newark
260 Kellogg St.
Port Newark, NJ 07114

Port Authority Bus Terminal
625 8th Ave.
NY, NY 10018

Staten Island Bridges
2777 Goethals Road North
Staten Island, NY 10303