

Information:

First Name: Massimo

Last Name: Calabresi

Company: TIME Magazine

Mailing Address 1: 1130 Connecticut Ave

Mailing Address 2: Suite 900

City: Washington

State: DC

Zip Code: 20036

Email Address: [massimo.calabresi@time.com](mailto:massimo.calabresi@time.com)

Phone: 2028614023

Required copies of the records: Yes

List of specific record(s):

Sir or Madam, Please forward to the email address above copies of all Other Transaction Agreements between PANYNJ and U.S. Transportation Security Administration, including but not limited to, for example, the contracts and all modifications thereon with TSA ID HSTS0408HCT1236 regarding work at JFK airport. Thank you in advance for your expeditious assistance in this matter. Massimo Calabresi, TIME

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY PRA #16368  
PUBLIC RECORD ACCESS FORM

Action by (print / type name):

Danny Ng, Freedom of Information Administrator

Signature:



Date:

11/21/2016

On behalf of the Secretary of the Port Authority, as Records Access Officer and Custodian of Government Records of the Port Authority.

The requested records are being made available.

Any responsive records that may exist are currently in storage or archived, and a diligent search is being conducted. The Port Authority will respond by:

A diligent search has been conducted, and no records responsive to your request have been located.

The requested records that have been located are not being made available, as they are exempt from disclosure for the following specific reasons:

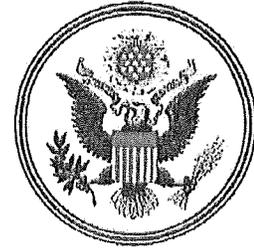
Some requested records that have been located are being made available. The remainder are exempt from disclosure for the following specific reasons:

The request does not reasonably describe or identify specific records; therefore, the Port Authority is unable to search for and locate responsive records. Please consider submitting a new request that describes or identifies the specific records requested with particularity and detail.

Other:

Material responsive to your request can be found on the Port Authority's website at <http://corpinfo.panynj.gov/documents/16368-C/>. Paper copies of the available records are available upon request.  
Exemption has been applied for security.

This form is promulgated by the Port Authority pursuant to the Port Authority Public Records Access Policy and is intended to be construed consistent with the New York Freedom of Information Law and the New Jersey Open Public Records Act. It is intended to facilitate requests for Port Authority public records and does not constitute legal advice.



**MEMORANDUM OF AGREEMENT**

**BETWEEN**

**UNITED STATES  
DEPARTMENT OF HOMELAND SECURITY  
TRANSPORTATION SECURITY ADMINISTRATION**

**AND**

**THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY**

**RELATING TO**

**BAGGAGE SCREENING PROJECTS FOR  
John F. Kennedy International Airport (JFK)**

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**Negotiated by the TSA pursuant to**  
Section 44923 of title 49, United States Code, as amended, and Division E, Department of Homeland Security  
Appropriations Act, 2008 of Public Law 110-161, the Consolidated Appropriations Act, 2008

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HSTS04-08-H-CT1236

## ARTICLE I – PARTIES

The parties to this Memorandum of Agreement (hereinafter “Agreement” or “MOA”) are the United States Department of Homeland Security, acting through the Transportation Security Administration (“TSA”), and The Port Authority of New York and New Jersey (“PANYNJ”).

## ARTICLE II – LEGAL AUTHORITY

This Agreement is entered into under the authority of section 44923 of title 49, United States Code, as amended, and Division E, Department of Homeland Security Appropriations Act, 2008 of Public Law 110-161, the Consolidated Appropriations Act, 2008.

## ARTICLE III – PURPOSE AND PROJECT SCOPE

The purpose of this Agreement is to set forth the terms and conditions, as well as establish the respective cost-sharing obligations and other responsibilities of the TSA and the PANYNJ with respect to the performance of the engineering, design, and integration of baggage Explosive Detection Systems (“EDS”) Projects and baggage screening system improvements at the John F. Kennedy International Airport (the “JFK” or “Airport”). The objective of the Project is to enhance *baggage screening throughput and capabilities at the Airport.*

The scope of the Project (the “Project”) is:

1. the construction and installation of a Checked Baggage Inspection System (“CBIS”) and/or modifications of or to existing CBISs for each Airport Terminal identified below; and
2. the installation of baggage conveyor components, architectural, structural, mechanical, electrical, and telecommunications infrastructure, and a baggage screening matrix (as applicable)

to support the TSA’s installation of EDS machines, Explosive Trace Detection (“ETD”) resolution area; remote multiplexed On Screen Resolution Room (“OSR”)/control room (as applicable); and the installation of hardware and software for use with an in-line EDS application if needed. The Project Area is that area from the baggage insertion point into the EDS screening matrix to the point where screened baggage is re-inserted into baggage makeup area.

The Project description for each Airport Terminal is as follows:

<u>Terminal</u>	<u>Project Description</u>
JFK Terminal 1	New In-Line EDS System Matrix/Design/Construction Build Out
JFK Terminal 2/3	New In-Line EDS System Matrix/Design/Construction Build Out
JFK Terminal 4	New In-Line EDS System Matrix/Design/Construction Build Out
JFK Terminal 7	New In-Line EDS System Matrix/Design/Construction Build Out

**ARTICLE IV – PROJECT COST AND ALLOWABLE COSTS**

A. Project Cost: Project Cost are those costs related to the activities to be completed by the PANYNJ or its designee to modify the Airport infrastructure and baggage handling system(s) (“BHS”) to support the TSA’s installation and operation of the EDS and ETD equipment at the Airport. Project Cost does not include the costs of acquisition, delivery or installation of the EDS and ETD equipment.

B. Federal Share of Allowable Costs: The TSA, for and on behalf of the United States, shall pay as the United States share, ninety (90%) percent of the Allowable Costs (as such term is defined in Circular A-87) and identified in paragraph D of this Article incurred in accomplishing the Project described in this Agreement. The maximum obligation of the United States payable under this Agreement for Fiscal Year 2008 shall be:

<u>Fiscal Year</u>	<u>TSA Funding</u>
2008	\$85,000,000.00

PR: 2108208CT1236  
5CF08XB010D2008SWE041GE0132230062006622CTO-5906307200000000-252R-  
TSA DIRECT-DEF. TASK \$85,000,000.00

Subject to Congressional appropriation and authorization, the maximum obligation of the United States payable under this Agreement for Fiscal Year 2009 shall be:

<u>Fiscal Year</u>	<u>TSA Funding</u>
2009	\$ To Be Determined

This reimbursement obligation shall not be deemed to be an obligation of the United States Government under Section 1501 of Title 31, United States Code. This Agreement is not deemed an administrative commitment for financing except until such amounts are authorized and appropriated as provided in authorization and appropriation laws.

C. The Letter of Intent attached to this Agreement as Appendix A, establishes, among other things, a funding schedule in the amount of \$400,000,000.00 for the inline baggage screening Projects at John F. Kennedy International, LaGuardia, and Newark Liberty International Airports. The scope and responsibilities for each Airport Project as set forth in a Memorandum of Agreement (identified below). To facilitate the strategic planning and Project priorities it is understood that the funding allocated to each Airport in its Memorandum of Agreement may be reallocated among the three airports at a later date if deemed necessary and agreed to by the TSA and the PANYNJ.

HSTS04-08-H-CT1235, Memorandum of Agreement for Newark Liberty International Airport  
HSTS04-08-H-CT1236, Memorandum of Agreement for John F. Kennedy International Airport  
HSTS04-08-H-CT1094, Memorandum of Agreement for LaGuardia Airport

D. Project Costs allowable for reimbursement under this Agreement: Determination of Allowable Costs, as such term is defined in the United States Office of Management and Budget

Circular A-87, "Cost Principles for State, Local and Indian Tribal Governments," in effect on the effective date of this Agreement ("Circular A-87"), will be made by the TSA in accordance with Circular A-87. If the enabling legislation for this Project prescribes policies or requirements that differ from those in Circular A-87, or that differ from this Agreement, the provisions of the enabling legislation shall govern.

Project Costs considered Allowable Costs for reimbursement under this Agreement (which Allowable Costs, must be, as provided in Circular A-87, allocable to federal awards under the provisions of Circular A-87, and necessary and reasonable for the proper and efficient performance and administration of federal awards), include:

- Project Soft Costs, which consists of Engineering Costs (to include design, specifications, bid documents, and contract documents), Construction Supervision Costs (to include Project Management) and PANYNJ Letter of Intent Administration Costs. The ceiling for reimbursement of all Project Soft Costs is limited to sixteen percent (16%) of the Project Costs. At TSA's discretion, the ceiling for reimbursement of all Project Soft Costs may be increased to 18% at a later date pending the results of actual Terminal Project progress and review of Terminal Project construction costs.
- Design Costs incurred on or after October 1, 2007.
- EDS in-line checked baggage Construction Costs include, but are not limited to:
  - Demolition (infrastructure or BHS related)
  - BHS infrastructure upgrades, platforms, catwalks located within the EDS screening matrix area
  - BHS: That portion located within the EDS screening matrix area, including redesign and upgrading of conveyors to support the integration of the screening matrix only
  - On-Screen Resolution (OSR) Room, Checked Baggage Resolution Area (CBRA)
  - Acoustical treatment in OSR and CBRA
  - Electrical infrastructure (cabling, control panels) and basic lighting fixtures for the CBIS, CBRA, and OSR.
  - Telephone systems/pager systems for TSA CBRA and OSR only
  - Heating, Ventilation, Air Conditioning (HVAC) environmental requirements for CBIS, OSR Room, CBRA and EDS Network equipment room

E. Project Costs not considered reimbursable under this Agreement include:

- Employee break rooms, administrative office space, and restrooms
- Aesthetic architecture enhancements
- Maintenance, repair parts or spare parts for Airport Terminal improvements include the baggage handling conveyor components installed under this Project
- Extended warranties beyond 1 year
- Maintenance of baggage conveyor system
- Profit or Corporate G&A costs to the PANYNJ. Profit and G&A for PANYNJ's contractor(s) is an allowable cost

- Costs incurred by the PANYNJ and or/designee, its contractors or agents to perform work not allocable with the TSA approved design or TSA's Planning Guidelines and Design Standards for Checked Baggage Inspection Systems

## **ARTICLE V: PROJECT RESPONSIBILITIES**

Project responsibilities for TSA and the PANYNJ are outlined below. Specific Project and technical responsibilities and performance of all parties are contained in Appendix B attached incorporated hereto by reference.

### **A. TSA Project Responsibilities**

1. TSA will provide a proposed design package for each integrated screening system in each of the identified terminals. Each package will include a schematic design, basis for design and Rough Order of Magnitude (ROM) costing. The schematic will reflect the screening matrix, mainline feeds, take away belts, and all of the security process areas/decision points. The basis for design will outline the proposed theory of operation for the system; will contain the static modeling for each system as well as possible mechanical considerations that can be identified at this design state. The ROM costing will outline at a budgetary level the cost of the individual screening systems.
2. Review and approve each Terminal Project design (through 100%) and deployment plans and specifications regarding installation of EDS units in accordance with TSA Performance Guidelines and Design Standards for Checked Baggage Inspection Systems.
3. Confirm that the placement and installation of the EDS and ETD units in the baggage screening matrix are in accordance with the individual Terminal Project design and deployment plan.
4. Obtain or cause its contractors, consultants and agents to obtain all necessary licenses, insurance, permits and approvals.
5. Furnish, deliver, rig, install and test all necessary EDS and ETD security screening equipment.
6. Provide EDS Original Equipment Manufacturer Technical Support Advisory Services to the PANYNJ and/or designee regarding integration of the EDS units into the BHS.
7. Provide the EDS System Specific Test Plan (SSTP) to the PANYNJ and/or its designee following an EDS machine commissioning, coordination and test planning meeting.
8. Establish and conduct the integrated Site Acceptance Testing (ISAT) for EDS machine screening capabilities for each Terminal Project.
9. Observe and approve ISAT results before the EDS equipment is certified ready for operational use.
10. The TSA will provide maintenance, repair, and refurbishment of all TSA EDS and ETD equipment throughout its life cycle at no cost to the Port Authority and/or its designee.

## **B. PANYNJ Project Responsibilities**

All work performed by the PANYNJ or its designee pursuant to this Agreement shall be accomplished in accordance with the design(s) approved by TSA and in accordance with PANYNJ's Airport Building Standards and Criteria.

1. PANYNJ shall start with a phasing process on Projects listed in Article III – Purpose, Project and Scope based on priorities or future strategic planning. This strategic planning should be presented to TSA Office of Security Technology for approval and concurrence to assure that the Projects can be completed in accordance with the constraints of cost, time, and scope.
2. Costs for each Terminal Project are to be recorded and reported on a Terminal-by-Terminal basis.
3. Except for the responsibilities of the TSA, as outlined above, the construction and installation of the individual Terminal project will be managed and overseen by the PANYNJ and/or its designee. The PANYNJ, acting through such contractors as it may choose, will provide the associated construction and baggage handling conveyor contractors to undertake the Project. The PANYNJ will provide oversight of such contractors to ensure Projects are completed within the prescribed costs and schedule.
4. Obtain or cause its contractors, consultants and agents to obtain all necessary licenses, insurance, permits and approvals.
5. Ensure the Project site will be ready to accommodate the installation of the EDS units when delivered. Project site preparation includes, but is not limited to, BHS modifications, electrical site preparation, including infrastructure to protect electrical or fiber optic cables, environmental controls, and any other Airport Terminal infrastructure work required to support the operational environment of the EDS and ETD units.
6. Facilitate the installation of the EDS units by providing a clear path during rigging and EDS installation, and provide sufficient space to allow for initial deployment activities such as uncrating the EDS equipment and devices.
7. Adhere to OSHA standards required for occupied spaces as well as the applicable EDS installation guide specifications for EDS operational environment requirements.
8. Once installed, provide reasonable measures to protect the EDS and ETD equipment from harm in the screening area.
9. The PANYNJ shall require that full ingress and egress be provided to the TSA and its contractors for the installation, operation, testing, maintenance, and repair of the EDS and ETD equipment at all times.
10. Perform and bear all cost of the operation, maintenance and repairs for the Airport Terminal installed property such as the baggage handling conveyor system, heating, air conditioning, and electrical infrastructure in support of this Project. Except for the TSA securing screening EDS and ETD equipment owned by the TSA, the PANYNJ its lessees or assigns as applicable, shall own and have title to all personal property, improvements to real property, or other assets which are acquired under this Agreement. It will be the responsibility of the PANYNJ, or its contractor or lessee to operate, maintain, and if it becomes necessary, repair or replace such property to support the efficient use of the TSA Security Screening Equipment for its useful life.

11. Title to non-TSA Security Screening Equipment such as ancillary equipment or infrastructure appurtenances purchased or reimbursed using Federal funds, or installed by the TSA, or its agents or contractors at the TSA's expense, or by the PANYNJ or its agents or contractors, or its lessees, agents or contractors, vests in the PANYNJ.
12. Submit monthly progress status reports to the TSA Project Manager and TSA Contracting Officer identified in Article VIII – Authorized Representatives. The monthly report should provide an executive summary of work performed to date, identify the events to occur within the next 90 days, identify the PANYNJ and/or designee(s) and its key contractor points of contact and use an earned value management approach to identify the cost and schedule variance incurred against work performance completed to date. Each Terminal Project is to be addressed separately in the monthly report.

**C. Deliverables.** The deliverables required to be submitted by the PANYNJ and/or its designee with respect to each Terminal are described in Appendix B-1; specific testing related deliverables are outlined in Appendix B.

#### **ARTICLE VI - EFFECTIVE DATE AND TERM**

The effective date of this Agreement is the date on which the authorized PANYNJ official signs it and the TSA's authorized official signs it, whichever date is later. The overall Airport Project completion is currently estimated to be on or about September 20, 2013 unless earlier terminated by the parties as provided herein or extended by mutual agreement pursuant to Article XIII. The period of performance for this effort is established in order to allow the PANYNJ time to submit a final invoice, close out each Terminal Project, and address any other issues,

Within thirty business (30) days of the PANYNJ and TSA Project Manager concurrence to begin a Terminal Project, the PANYNJ and/or its designee(s) will establish and provide Project Milestones for each Terminal to the TSA Project Manager and TSA Contracting Officer identified in Article VIII that allow objective measurement of progress toward completion.

#### **ARTICLE VII - ACCEPTANCE AND TESTING**

TSA will deem the Project complete upon successful completion of the TSA EDS systems test conducted by the TSA independent validation and verification (IV&V) contractor that confirms that the baggage screening system has been installed in accordance with the TSA Checked Baggage Inspection System Performance Criteria and technical specifications for the EDS baggage screening equipment. Successful completion requires the correction of defects identified, if any, during the EDS systems test. Ten percent (10%) of each invoice submitted for each Terminal Project will be retained for the duration of the Project until the baggage screening system has successfully passed the TSA EDS systems test and defects, if any, identified during the system test have been corrected by the PANYNJ and/or its designee. The PANYNJ is not responsible for correcting any defects related to the EDS equipment. It shall be the TSA's responsibility to correct at its sole cost any TSA's EDS equipment system defects, and the 10% retained amount referred to above shall be paid to the PANYNJ if the system failure is due to defects associated with TSA equipment or installation.

**ARTICLE VIII. AUTHORIZED REPRESENTATIVES**

The authorized representative for each party shall act on behalf of that party for all matters related to this Agreement. Each party's authorized representative may appoint one or more others to act as authorized representative for any administrative purpose related to this Agreement, provided written notice of such appointments are made to the other party to this Agreement. *The authorized representatives for the parties are as follows:*

A. TSA Points of Contact:

Terry Spradlin  
TSA Project Manager  
Office of Security Technology, TSA-16  
Transportation Security Administration  
701 South 12<sup>th</sup> Street  
Arlington, VA 22202  
Phone: 571-227-4108  
E-Mail Address: [terry.spradlin@dhs.gov](mailto:terry.spradlin@dhs.gov)

John Reed  
Eastern Region Deployment Manager/Contracting Officer Technical  
Representative  
Office of Security Technology, TSA-16  
Transportation Security Administration  
701 South 12th Street  
Arlington, VA 22202  
Phone: 571-227-1563  
E-Mail Address: [john.reed1@dhs.gov](mailto:john.reed1@dhs.gov)

Connie Thornton  
Contracting Officer  
Transportation Security Administration  
4275 Airport Road, Suite C  
Rapid City, SD 57703  
Phone: 605-393-8191  
E-Mail Address: [connie.thornton@dhs.gov](mailto:connie.thornton@dhs.gov)

Only the TSA Contracting Officer has the authority to bind the federal government with respect the expenditure of funds. The TSA Contracting Officer Technical Representative (COTR) is responsible for the technical administration of this Agreement and technical liaison with the PANYNJ and/or its designee. The TSA COTR is not authorized to change the scope of work, to make any commitment or otherwise obligate the TSA, or authorize any changes that affect the liability of the TSA.

The PANYNJ and or its designee must notify the TSA CO and COTR in event that any TSA agent or employee takes any action which is interpreted by the PANYNJ or its designee as direction which consequently increases the individual Terminal Project cost and would cause the PANYNJ to seek reimbursement from TSA beyond TSA's liability as stated in this Agreement.

B. The PANYNJ's Points of Contact:

The PANYNJ's Point of Contact for all correspondence is:

Jeanne M. Olivier, A.A.E.  
General Manager, Aviation Security and Technology  
Aviation Department  
The Port Authority of New York and New Jersey  
233 Park Avenue South, 9<sup>th</sup> Floor, New York, New York 10003  
Telephone: 212-435-3726  
E-Mail: jolivier@panynj.gov

The PANYNJ's Point of Contact for invoices is:

To be provided by PANYNJ.

**ARTICLE IX – PAYMENT**

Should the TSA contributions represent more than 90 percent of the total final Allowable costs; the PANYNJ will refund the TSA for the difference to achieve a 90 percent level. The parties agree that all costs in excess of TSA's funding contribution as well as any costs that do not comply with Circular A-87 shall be borne solely by the PANYNJ unless otherwise agreed by the TSA in a modification in accordance with Article XIII – Changes and/or Modifications.

Reimbursement by TSA is conditioned upon submission to TSA of an invoice identifying the Project costs that have been incurred and paid. The TSA intends to make payment to the PANYNJ within 45 calendar days of receipt of each properly prepared invoice for reimbursement of incurred costs. The TSA reimbursement process consists of two steps:

- a. Step 1 – “Summary” Invoice Submittal to the U.S. Coast Guard Finance Center for Payment

The United States Coast Guard Center performs the payment function on behalf of the TSA. For purposes of submission to the Coast Guard Finance Center, the PANYNJ's invoice format is acceptable for the “Summary” Invoice. Central Contractor Registration is mandatory for invoice payment; for further information, please refer to <http://www.ccr.gov>

At a minimum the "Summary" Invoice should contain:

- (1) Agreement Number HSTS04-08-H-CT1236
- (2) Invoice Number and Invoice Date
- (3) Complete Business Name and Remittance Address.
- (4) Point of Contact with address, telephone, fax and e-mail address contact information
- (5) Tax Identification Number and DUN's Number
- (6) Dollar Amount of Reimbursement being requested
- (7) Signature of PANYNJ's authorized representative and the following certification language: *"This is to certify that the services set forth herein were performed during the period stated and that the incurred costs billed were actually expended for the Project."*

The "Summary" Invoice may be submitted by standard email or by electronic transmission to the following address(s):

Mailing Address: TSA Commercial Invoices  
USCG Finance Center  
P.O. Box 4111  
Chesapeake, VA 23327-4111

Email: FIN-SMB-TSAINVOICES@uscg.mil

b. Step 2 – "Summary" Invoice and Supporting Documentation Submittal to TSA for Approval of Payment

The TSA Contracting Officer and the Contracting Officer's Technical Representative are required to review and approve all invoices prior to payment. To aid in this review, the PANYNJ and/or its designee shall provide a copy of the "Summary" Invoice along with all receipts, contractor pay requests and other supporting information which specify the vendor, services provided, and products delivered as well as the appropriate identifications that the Airport has paid these obligations. The PANYNJ and/or its designee are encouraged to provide this supporting information simultaneously with Step 1 in order to expedite the payment process.

The Support Documentation should contain the following items:

- Summary Invoice from Step 1
- An executive summary Project overview with the first invoice
- Spreadsheet listing the invoices being submitted, with totals
- Individual, signed and approved contractor invoices, with scope of values or statement of work (copies of contracts and change orders provide support for the work being actual, allowable, allocable and reasonable.)
- Copies of subcontractors' invoice if listed on a prime contractor's invoice as a single amount (copies of timesheets and detailed backup not required if descriptions are clear and specific).

- Proof of payment by the PANYNJ and/or its designee for each invoice in the form of copies of checks/warrants, bank wire transfers, or accounting system transactions.

The "Summary" Invoice and supporting documentation may be submitted by mail via CD or paper documents or electronic transmission to the following address; the final closeout invoice should include proof that all required deliverables have been provided:

John Gebhart  
Jacobs Carter & Burgess, Inc  
2231 Crystal Drive, Suite 300  
Arlington, VA 22202  
Phone: 571-721-1269  
Email: john.gebhart@jacobs.com

Upon completion of the review of the supporting documentation for the "Summary" Invoice, the TSA Contracting Officer and Contracting Officer Technical Representative will advise the Coast Guard Finance Center regarding payment of the "Summary" Invoice. TSA has the right to recoup any payments made to the PANYNJ if the TSA determines that the invoices exceed the actual costs incurred.

#### **ARTICLE X – AUDITS**

A. The federal government, including the Comptroller General of the United States, has the right to examine or audit financial records relevant to this Memorandum of Agreement for a period not to exceed three (3) years after expiration of the terms of this Agreement. The PANYNJ and/or its designee, their contractors must maintain an established accounting system that complies with accounting principles generally accepted in the United States. Records related to disputes arising out of this Agreement shall be maintained and made available until such disputes have been resolved to the satisfaction of the TSA.

B. As used in this provision, "records" includes books, documents, accounting procedures and practices, and other data, regardless of type and regardless of whether such items are in written form, in the form of computer data, or in any other form.

C. The PANYNJ and/or its designee shall maintain all records and other evidence sufficient to reflect costs claimed to have been incurred or anticipated to be incurred directly or indirectly in performance of this Agreement. The TSA Contracting Officer or the authorized representative of the TSA Contracting Officer shall have the right to examine and audit those records at any time, or from time to time. The right of examination shall include inspection at all reasonable times at the offices of the PANYNJ and/or its designee or at the offices of the respective contractor(s) responsible for the Project.

D. The PANYNJ and/or its designees will be required to submit cost or pricing data and supporting information in connection with any invoice relating to this Agreement if requested by the TSA Contracting Officer.

E. This Article X shall not be construed to require the PANYNJ and/or its designee, their contractors or subcontractors to create or maintain any record that they do not maintain in the ordinary course of business pursuant to a provision of law, provided that those entities maintain records that conform to generally accepted accounting practices.

#### **ARTICLE XI – REQUIRED FEDERAL PROCUREMENT PROVISIONS**

Required Federal Procurement Provisions are provided in Appendix C.

#### **ARTICLE XII – CHANGES AND/OR MODIFICATIONS**

Changes and/or modifications to this Agreement shall be in writing and signed by the TSA Contracting Officer and the authorizing official of the PANYNJ. The modification shall state the exact nature of the change and/or modification. No oral statement by any person shall be interpreted as modifying or otherwise affecting the terms of this Agreement. The properly signed modification shall be attached to this Agreement and thereby become a part of this Agreement.

#### **ARTICLE XIII – LIMITATION OF LIABILITY**

Each party to this Agreement shall bear total responsibility for its own negligent acts, errors or omissions that arise out of this Agreement. In no event shall either Party be liable for any indirect, special, punitive, incidental or consequential damages arising out of or under this Agreement, whether under contract warranty, or tort, including loss of revenue or profits, regardless of the ability to anticipate such damages. The PANYNJ does not waive its right to pursue claims against the United States or any of its agencies under the Federal Torts Claims Act.

#### **ARTICLE XIV – DISPUTES**

When possible, disputes will be resolved by informal discussion between the appropriate PANYNJ representative and the TSA Contracting Officer. If a dispute cannot be resolved through negotiations, the dispute shall be submitted to the Office of Dispute Resolution for Acquisition (“ODRA”) (see <http://www.faa.gov/agc/odra/default.htm>). ODRA acts on behalf of TSA, pursuant to a Memorandum of Agreement dated September 23, 2002, to manage TSA’s dispute resolution process and to recommend decisions on matters concerning contract disputes. Judicial review, where available, will be in accordance with 49 U.S.C. 46110, and shall apply only to final agency decisions.

## **ARTICLE XV – TERMINATION**

In addition to any other termination rights provided by this Agreement, either party may terminate this Agreement at any time with cause, and without incurring any liability or obligation to the terminated party (other than performance of obligations accrued on or prior to termination date) by giving the other party at least ninety days written notice of termination. Upon receipt of notice of termination, the receiving party shall take immediate steps to stop the accrual of any additional obligations, which might require payment.

In the event of termination or expiration of this Agreement, any TSA funds that have not been spent or incurred for allowable expenses prior to the date of termination and are not reasonably necessary to cover termination expenses shall be returned and/or de-obligated from this Agreement.

## **ARTICLE XVI – CONSTRUCTION OF THE AGREEMENT**

A. Nothing in this Agreement shall be construed as incorporating by reference or implication any provision of Federal acquisition law or regulation. It is not intended to be, nor shall it be construed as creation of a partnership, corporation, or other business entity between the parties.

B. Each party acknowledges that all parties hereto participated equally in the negotiation and drafting of this Agreement and any amendments thereto, and that, accordingly, this Agreement shall not be construed more stringently against one party than against the other.

C. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written.

D. In the event that any Article and/or parts of this Agreement are determined to be void, such Article or portions thereof shall lapse. No such lapse will affect the rights, responsibilities, and obligations of the parties under this Agreement, except as provided herein. If either party determines that such lapse has or may have a material effect on the performance of the Agreement, such party shall promptly notify the other party, and shall negotiate in good faith a mutually acceptable amendment to the Agreement if appropriate to address the effect of the lapse.

## **ARTICLE XVII – MEDIA AND PROTECTION OF SENSITIVE SECURITY INFORMATION**

### **A. SENSITIVE SECURITY INFORMATION**

No Sensitive Security Information (SSI), as such term is defined in 49 CFR Part 1520, shall be disclosed except in accordance with the provisions of 49 CFR 1520.

**B. MEDIA**

Unless otherwise required by law, PANYNJ and/or its designee shall not make publicity or public affairs activities related to the subject matter of this Agreement unless written approval has been received from the TSA Office of Security Technology or the TSA Office of Strategic Communication and Public Affairs.

**ARTICLE XVIII - SURVIVAL OF PROVISIONS**

The following provisions of this Agreement shall survive the termination of this Agreement: Article V– Project Responsibilities, paragraph A. 10, and paragraph B. 10; Article X – Audits; Article XIII – Limitations on Liability; Article XIV – Disputes, and Article XVIII – Survival of Provisions.

**Signatures**

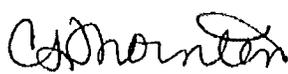
The Parties have executed this Agreement in multiple copies, each of which is an original.

**WITNESS:**

**THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY**

 Date: 9/10/08  
By: Ernesto L. Bufcher, Deputy Executive Director, Operations

**UNITED STATES**  
**Department of Homeland Security**  
**Transportation Security Administration**

 Date: 9/5/2008  
By: Connie Thornton, Contracting Officer

**MEMORANDUM OF AGREEMENT**

**TABLE OF APPENDICES**

**APPENDIX A – TRANSPORTATION SECURITY ADMINISTRATION LETTER OF INTENT**

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Transportation  
Security  
Administration

LETTER OF INTENT  
THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

This Letter of Intent (LOI) sets forth the intention of the Transportation Security Administration (TSA), effective this date, in accordance with the provisions of *Section 41923 of title 49, United States Code, as amended; Division E, Department of Homeland Security Appropriations Act, 2008; Public Law 110-161, the Consolidated Appropriations Act, 2008;* and Memoranda of Agreement (MOAs) to which this LOI is appended, to obligate from budget authority to reimburse The Port Authority of New York and New Jersey (PANYNJ) for the United States' share of allowable costs at the John F. Kennedy International Airport (JFK), LaGuardia Airport (LGA), and Newark Liberty International Airport (EWR), collectively the PANYNJ Airports, for the airport security improvement project (Project) as summarized below:

The MOAs will establish the efforts for providing the necessary design, construction management, and construction of the PANYNJ Airports—JFK, LGA, and EWR—to develop in-line baggage system solutions that will enable TSA to install and operate explosives detection systems associated with in-line baggage screening systems at those airports.

The maximum United States obligation pursuant to this LOI for the Project summarized above shall be in an amount not-to-exceed 90 percent of the total Project costs of \$444,444,444.00 to a total Federal share of up to \$400,000,000.00. After funds have been appropriated and obligated, TSA shall issue funds to reimburse the PANYNJ from current and Fiscal Year 2009 budget authority, according to the following schedule:

<u>Fiscal Year (FY)</u>	<u>Federal Funds</u>
FY 2008	\$200 million (current budget authority)
FY 2009	<u>\$200 million</u> (future budget authority)
Total:	\$400 million

If the Congressional appropriation and allocation is less than \$200,000,000 in FY 2009 for TSA baggage screening projects for the PANYNJ Airports, then the FY 2009 funding increment for the Project may be reduced accordingly.

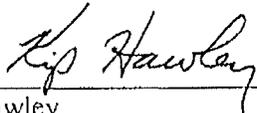
The announcement of this intention shall not be deemed an obligation of the United States Government under Section 1501 of title 31, United States Code, and the LOI is not deemed to be an administrative commitment of financing. An obligation or administrative commitment may be made only as amounts are provided in authorization and appropriation laws.

TSA may, from time to time, following consultation with the PANYNJ, amend this LOI and the MOAs to adjust the payment schedule, and such adjustments may be made by TSA when occasioned by changes in the actual allowable costs of the Project, in the actual time required to complete the Project, in actual or estimated future obligating authority, or otherwise, when determined at the discretion of the Department of Homeland Security Assistant Secretary of the TSA to be in the best interests of the United States.

TSA will give full consideration to the aggregate amount of future obligations and the payments scheduled under all outstanding LOIs in formulating its annual budget requests. A statutory restriction on total obligating authority in a future fiscal year, however, may necessitate a reduction in funds to be reimbursed for that year.

The LOI is conditioned upon the PANYNJ's compliance with the MOAs to which this LOI is appended and of which it is made a part. Failure to comply with such requirements may lead to revocation of this LOI and termination of the MOAs in accordance with the terms of the MOAs.

United States of America  
Department of Homeland Security  
Transportation Security Administration



\_\_\_\_\_  
Kip Hawley  
Assistant Secretary

8/20/08

\_\_\_\_\_  
Date

**MEMORANDUM OF AGREEMENT**

**APPENDIX B**

**DELIVERABLES**

Item	Submitted To:	Frequency or Due Date	Special Notes:
Design: 30%, 70%, 100% and associated cost estimate	TSA Project Manager	Per the approved schedule.	Port Authority shall attain written approval from TSA before moving forward on design effort stages.
Master Schedule and detailed Estimate of Costs to include Project Milestones (Design, Construction and Baggage Handling System)	TSA Project Manager TSA Contracting Officer ("CO") TSA Contracted Site Lead	Submitted within 120 business days of MOA signing to be updated and submitted with monthly report as Project is underway.	All schedules and cost estimates to be approved must have written concurrence TSA Project Manager
Schedule of Values for Design, Construction, Baggage Handling Contracts	TSA Project Manager TSA CO TSA Contracted Site Lead	PANYNJ/Designee to provide upon issuing Notice to Proceed to Contractor	All schedules and cost estimates to be approved must have written approval from TSA
Design, Construction and BHS Contracts > \$500,000 including any subsequent change orders.	TSA CO	Upon Award by PANYNJ/Designee. Change Orders are to also be provided to TSA CO when issued.	Provide copy of contract to TSA Contracting Officer (CO)
Monthly Project Report: (Current and forecasted for the next period's tasks.) <ul style="list-style-type: none"> <li>• Tasks completed</li> <li>• Schedule</li> <li>• Budget and actual costs spent to date</li> <li>• Cost Variance</li> <li>• Schedule Variance</li> <li>• Variance analysis data in excess of 10%</li> <li>• Identify Tasks for next 90 days</li> </ul>	TSA Project Manager TSA CO TSA Contracted Site Lead	Monthly. Electronic submission is requested if feasible.	
Close Out Process requires the correction of testing deficiencies (if any)	Close Out Report submitted to TSA Project Manager and TSA Contracted Site Lead	Initiated after TSA completion of Integrated Site Acceptance testing and deficiencies (if any) have been corrected.	
As Built Drawings and final configuration in electronic format, .dwg (AutoCAD) or comparable format PDF	TSA Project Manager	No later than 30 days after commissioning of system(s)	
Overview of drawings of the EDS Matrix/Node, BHS systems Resolution Room, OSR Room as applicable. dwg (AutoCAD) or comparable PDF format	TSA Project Manager	30 days after commissioning of system(s)	
Final Invoice	TSAT Project Manager TSA CO	Upon correction of testing deficiencies, submission of 'as-built' drawings and closeout of PANYNJ/Designee related contracts	Typically occurs three to four months after ISAT.

**MEMORANDUM OF AGREEMENT**

**APPENDIX C**

**REQUIRED FEDERAL PROCUREMENT PROVISIONS**

**Construction Contracts**

**Provisions for all Construction Contracts**

- Buy American Preference - Title 49 U.S.C., Chapter 501 - Under Revision
- Civil Rights Act of 1964, Title VI (MS Word) - Contractor Contractual Requirements - 49 CFR Part 21
- Airport and Airway Improvement Act of 1982, Section 520 (MS Word) - Title 49 U.S.C. 47123
- Lobbying and Influencing Federal Employees (MS Word) - 49 CFR Part 20
- Access to Records and Reports (MS Word) - 49 CFR Part 18.36
- Disadvantaged Business Enterprise (MS Word) - 49 CFR Part 26
- Energy Conservation (MS Word) - 49 CFR Part 18.36
- Breach of Contract Terms (MS Word) - 49 CFR Part 18.36
- Rights to Inventions (MS Word) - 49 CFR Part 18.36
- Trade Restriction Clause (MS Word) - 49 CFR Part 30
- Veteran's Preference (MS Word) - Title 49 U.S.C 47112

**Additional Provisions for Construction Contracts Exceeding \$2,000**

- Davis Bacon Labor Provisions (MS Word) - 29 CFR Part 5

**Additional Provisions for Construction Contracts Exceeding \$10,000**

- Equal Opportunity Clause (MS Word) - 41 CFR Part 60-1.4
- Certification of Non-Segregated Facilities (MS Word) - 41 CFR Part 60-1.8
- Notice of Requirement for Affirmative Action (MS Word) - 41 CFR Part 60-4.2
- Equal Employment Opportunity Specification (MS Word) - 41 CFR Part 60-4.3
- Termination of Contract (MS Word) - 49 CFR Part 18.36

**Additional Provisions for Construction Contracts Exceeding \$25,000**

- Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion (MS Word) - 49 CFR Part 29

**Additional Provisions for Construction Contracts Exceeding \$100,000**

- Contract Workhours and Safety Standards Act Requirements (MS Word) - 29 CFR Part 5
- Clean Air and Water Pollution Control (MS Word) - 49 CFR Part 18.36(i)(12)
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**Equipment Contracts**

**Provisions for all Equipment Contracts**

- Buy American Preference - Title 49 U.S.C., Chapter 501
- Civil Rights Act of 1964, Title VI (MS Word) - Contractor Contractual Requirements - 49 CFR Part 21
- Airport and Airway Improvement Act of 1982, Section 520 (MS Word) - Title 49 U.S.C. 47123
- Disadvantaged Business Enterprise (MS Word) - 49 CFR Part 26
- Lobbying and Influencing Federal Employees (MS Word) - 49 CFR Part 20
- Access to Records and Reports (MS Word) - 49 CFR Part 18.36
- Energy Conservation (MS Word) - 49 CFR Part 18.36
- Breach of Contract Terms (MS Word) - 49 CFR Part 18.36
- Rights to Inventions (MS Word) - 49 CFR Part 18.36
- Trade Restriction Clause (MS Word) - 49 CFR Part 30

**Additional Provisions for Equipment Contracts Exceeding \$10,000**

- Termination of Contract (MS Word) - 49 CFR Part 18.36

**Additional Provisions for Equipment Contracts Exceeding \$25,000**

- Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion (MS Word) - 49 CFR Part 29

**Additional Provisions for Equipment Contracts Exceeding \$100,000**

- Clean Air and Water Pollution Control (MS Word) - 49 CFR Part 18.36(i)(12)
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**Professional Services (A/E) Contracts**

**Provisions for all A/E Contracts**

- Civil Rights Act of 1964, Title VI (MS Word) - Contractor Contractual Requirements - 49 CFR Part 21
- Airport and Airway Improvement Act of 1982, Section 520 (MS Word) - Title 49 U.S.C. 47123
- Disadvantaged Business Enterprise (MS Word) - 49 CFR Part 26
- Lobbying and Influencing Federal Employees (MS Word) - 49 CFR Part 20
- Access to Records and Reports (MS Word) - 49 CFR Part 18.36
- Breach of Contract Terms (MS Word) - 49 CFR Part 18.36
- Rights to Inventions (MS Word) - 49 CFR Part 18.36
- Trade Restriction Clause (MS Word) - 49 CFR Part 30

**Additional Provisions for A/E Contracts Exceeding \$10,000**

- Termination of Contract (MS Word) - 49 CFR Part 18.36

**Additional Provisions for A/E Contracts Exceeding \$25,000**

- Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion (MS Word) - 49 CFR Part 29

**Additional Provisions for Equipment Contracts Exceeding \$100,000**

Clean Air and Water Pollution Control (MS Word) - 49 CFR Part 18.36(l)(12)

## MEMORANDUM OF AGREEMENT

### APPENDIX D

#### John F. Kennedy International Airport (JFK) Airport Terminal Baggage Screening Renovations Technical Specification

**A. TSA responsibilities with regard to the individual Terminal Projects are listed below in sections 1.1 to 1.7. Many responsibilities are delegated to TSA contractors such as the EDS Original Equipment Manufacturer (OEM), TSA Site Lead Contractor, and TSA Independent Validation and Verification (IV&V) Test Contractor but ultimate responsibility resides with TSA.**

#### **1.1 EDS PLACEMENT**

TSA will install the EDS units, ETD screening equipment and ancillary equipment at the designated Airport Terminal at a mutually agreed upon date. TSA through the EDS OEM or other TSA contractors shall be responsible for coordinating and integrating activities regarding placement of EDS equipment with appropriate TSA Staff and the Airport Baggage Handling System (BHS) team personnel.

#### **1.2 INSTALLATION SUPPORT**

##### **1.2.1 Project Management**

The EDS OEM shall be responsible for providing technical support throughout the entire period of performance during the Terminal EDS installation Project. The OEM shall be responsible for all labor, materials, equipment, and support services required for planning, managing, and supervising all items related to the installation of the EDS units and associated ancillary equipment.

##### **1.2.2 Technical Support**

TSA will provide technical support to the Project through existing contracts with the EDS OEM, TSA Site Lead, and TSA Test Lead.

- The identified TSA Site Lead should be included in all relevant planning/project meetings relevant to TSA contributions to each Terminal Project. Project schedules and updates should be provided to the TSA Site Lead to ensure TSA has timely and sufficient notice of deliverable dates.
- The EDS OEM shall provide technical consultations to the TSA Project Team and Terminal Project Manager Team regarding Project efforts that may include, but are not limited to: teleconferences; reviews of drawings and specifications; and exchanges of technical documentation such as specifications, manuals, and guides.
- TSA Testing Contractor shall support testing of the EDS units and their integration with the BHS and will develop relevant test plans and reports that will be shared with the Project Manager.
- Support for the development and execution of the MOA in place between TSA and the PANYNJ will be provided by TSA Office of Acquisition.
- Oversight and coordination of technical aspects of the Project will be provided by the TSA Office of Security Technology, Deployment Team.
- Local TSA personnel shall support coordination of issues between TSA Headquarters and the Project Manager as directed by the applicable Federal Security Director (FSD).

Title	Name	Role	Contact Information
TSA PANYNJ Project Manager	Terry Spradlin	TSA Project Manager	Terry.Spradlin@dhs.gov 571-227-4108
TSA Eastern Region Deployment Lead	John Reed	Contracting Officer Technical Representative	John.Reed1@dhs.gov 571-227-1563
TSA Testing Coordinator	Amy Becke	TSA Test Coordinator	Amy.Becke@dhs.gov 571-227-1261
TSA Acquisition	Connie Thornton	Contracting Officer	Connie.Thornton@dhs.gov 605-393-8191
TSA JFK FSD Point of Contact	Mohammad Siddiqui	Local JFK TSA Coordinator	Mohammad.Siddiqui@dhs.gov 718-995-3964
PANYNJ Overall Project Point of Contact	Jeanne Olivier	General Manager, Aviation Security & Technology	jolivier@panynj.gov 212-435-3726

### 1.2.3 Commissioning Services

TSA, through the EDS OEM and other TSA contractors, shall be responsible for all labor, materials, equipment, and support services needed to assemble, power up, configure, and install the EDS machines into the required operational condition. The EDS OEM shall provide technical support, documentation, and installation of the EDS units and the associated local Baggage Viewing Stations (BVS) after confirmation that all pre-installation requirements have been met. The EDS OEM shall coordinate with the TSA Project Manager/TSA Site Lead, TSA Test Lead, and the Terminal Project Manager's contractors to perform system testing. The EDS OEM shall provide these services within two weeks of receipt of a written request from the TSA.

### 1.3 INDEPENDENT VERIFICATION AND VALIDATION (IV&V) TESTING

Mandatory testing for this system includes Site Acceptance Testing (SAT) for the EDS units following installation; pre-Integrated Site Acceptance Testing following the integration of the EDS units with the BHS affirmed through a Test Readiness Report (TRR); and Integrated Site Acceptance Testing (ISAT) prior to TSA acceptance of the system for operational use. See table below for minimum lead time requirements for testing activities.

Test Activity	Lead Time Needed
SSTP Input	90 days prior to projected ISAT date
SAT of EDS units	7 days prior to EDS OEM confirmation of EDS unit's readiness
SSTP Delivery	30 days prior to projected ISAT date
SSTP Review Meeting	14 days prior to projected ISAT date
TRR	3 business days (not less than) prior to projected ISAT date
ISAT	3 business days (not less than) following successful TRR

#### 1.3.1. Site Acceptance Testing (SAT)

The EDS OEM and TSA Test Lead shall coordinate and conduct SAT testing on the EDS machines. The EDS OEM shall implement and coordinate testing by issuing a Test Readiness Notification (TRN) at least 7 days prior to the scheduled IV&V testing. Passing SAT results are required to certify equipment readiness for operational use in screening baggage. In the event that supplied EDS units cannot meet SAT test requirements, TSA will ensure that any defects are corrected or that the EDS unit is replaced.

#### 1.3.2. Site Specific Test Plan Development (SSTP)

TSA has arranged for its Testing Contractor to develop a Site Specific Test Plan based on testing criteria outlined in the TSA Checked Baggage Inspection Systems Planning Guidelines and Design Standards to be provided by TSA. The SSTP will be based on the Terminal Project Manager responses to an SSTP questionnaire to be completed within 90 days of Integrated Site Acceptance Testing. The SSTP shall be delivered to the Terminal Project Manager 30 days in advance of projected ISAT start-up. The TSA Test Lead and Site Lead shall participate in an SSTP review meeting no less than 14 business days prior to the projected ISAT start up to ensure that all Project Team concerns and questions about the ISAT test plan are resolved and to coordinate logistical and technical needs.

### **1.3.3. Integrated Site Acceptance Testing (ISAT)**

Scheduling and Coordination: Construction schedule including the ISAT start date(s) and duration(s) shall be shared with the TSA Site Lead at 120, 90, 60, 30, and 14 days from the anticipated ISAT start date. This schedule shall be distributed each time changes are made to the ISAT start date and/or duration. Changes made to the schedule within two weeks of the planned ISAT start date may relieve the TSA of the obligation to begin testing within three business days of the TRR. In this situation, the ISAT start date could depend on TSA's testing workload and resource allocation.

#### **Test Results and Reports:**

Testing results will be shared in hard copy format with the Terminal Project Manager and the PANYNJ Program Manager through the local TSA Point of Contact. Test results will identify any security, efficiency or safety concerns. There are three (3) possible test outcomes:

- Pass – System meets TSA P&C Requirements;
- Defects Found – TSA will staff the system but further work needed to correct defects;
- Failed – TSA will not staff the system; Contractor should resolve issues as published and prepare for re-testing.

## **1.4 INTEGRATION SERVICES**

### **1.4.1. BHS Support**

The EDS OEM shall assist the Terminal Project Manager's BHS contractor to establish digital and serial communication for the EDS units. Once communication between devices has been established, the EDS OEM shall provide the following support and integration services.

- Assist the BHS contractor to obtain efficient EDS operation.
- Provide on-site Integration Engineer Support Services to facilitate the entire integration effort with the BHS.
- Be available to support system testing and validation conducted by in-house staff or external contractors including Site Specific Test Plan (SSTP) for the Integrated Site Acceptance Test (ISAT) and pre-ISAT project testing and throughout the planning phases including the issuance of the ISAT TRN and TRR.
- During initial system operations run of live checked baggage, provide technical assistance as requested by TSA and/or the Terminal Project Manager.

### **1.4.2. Software and Hardware**

Following SAT and throughout the integration effort, the EDS OEM shall install and test the required software and hardware to allow for digital and serial communication between the EDS and the BHS PLC if required. Functionality of the EDS BHS interface hardware and software shall be verified by the EDS OEM at the interface box prior to working with the BHS contractor to ensure a proper operating PLC interface and to avoid delays.

## **1.5 SYSTEM NETWORKING**

### **1.5.1 Network Infrastructure**

The EDS OEM shall provide required patch cables and miscellaneous hardware to interface between network patch panel and EDS OEM supplied networking components.

### **1.5.2 Network Services**

The EDS OEM shall provide: training for TSA staff; coordination and support for TSA and testing certification; and resources to conduct installation, testing, and initial operational support for networking. No other network may interface with the networked airport screening solution. The implemented assigned network for operation shall be an isolated, stand-alone network.

### **1.6. TRAINING**

TSA will provide training for TSA screening staff on the operation of the EDS and ETD equipment.

### **1.7. MAINTENANCE**

Upon successful completion of SAT testing for each unit, TSA will maintain and repair the EDS and ETD units throughout their lifecycles.

## **B. PANYNJ AND DESIGNEE TERMINAL PROJECT MANAGER RESPONSIBILITIES with regard to the Terminal Projects are listed in sections 2.1 to 2.5 below.**

### **2.0 DESIGN**

The Terminal Project Manager will undertake completing the 100% design of a baggage screening solution for its respective Terminal(s), which meets the needs of the Airport, Airlines and TSA FSD. The Project Manager shall submit design at 30%, 60% and 100% intervals to TSA for review. The Project Manager shall respond to TSA design review comments promptly and in writing.

### **2.1 EDS PLACEMENT**

The Project Manager shall ensure that the Project site will be ready to accommodate the installation of the EDS and associated equipment. The Project Manager shall be responsible for providing rigging oversight activities, and shall provide adequate protection to the EDS machines and to the airport infrastructure during any and all ED's movements. The Project Manager shall coordinate with the EDS OEM to integrate all activities regarding placement of ED's equipment. The Project Manager shall provide reasonable measures to protect the EDS and ETD equipment from damage in the screening area.

#### **2.1.1 Site Readiness and Storage**

The Project Manager shall confirm site readiness to receive ED's units to the TSA Site Lead no later than 10 business days prior to requested delivery date. Site readiness shall address availability of permanent power; removal of obstacles to the rigging path; and adequacy of physical environmental conditions within the delivery area that meet EDS OEM standards for protecting the EDS units. The Project Manager shall provide secure storage for the ED's units and ancillary equipment if site conditions at the time of delivery do not provide adequate protection. The Project Manager shall provide secure storage space for hardware associated with ED's integration and multiplexing until it can be installed by EDS OEM Integration Support Staff.

#### **2.1.2 Rigging Services**

The Project Manager Team will be responsible for providing rigging path verification, ingress path, and/or structural analysis. If required, the Project Manager Team will remove and replace any walls, windows, glass, doors, or other physical barriers in support of rigging activities.

## **2.2 INSTALLATION SUPPORT**

### **2.2.1 Power Requirements**

The Project Manager will provide terminations to the EDS for electrical power. The Project Manager will be responsible for providing all infrastructure power requirements including separate metering. If applicable, the Project Manager will design and install all power requirements to terminal locations within the OSR room, ETD room, and at EDS locations. The Project Manager will provide cabling from terminations to EDS equipment. The Project Manager shall attest to the availability of power supply to adequately support the EDS and associated equipment in accordance with OEM specifications and be liable for damage to this equipment resulting from intentional deviations to accepted power supply conditions.

### **2.2.2 Commissioning Services**

The Project Manager will be responsible for obtaining all other infrastructures as stated in the Memorandum of Agreement between the TSA and the PANYNJ and not mentioned in Section 2.2.1 to support EDS operations and maintenance.

## **2.3 INTEGRATION SERVICES**

The Project Manager shall ensure that the BHS Contractor coordinates with EDS OEM in support of integration activities (e.g. installation and testing the required software and hardware to allow for digital and serial communication between the EDS and the BHS PLC) as needed. Terminations to the EDS for BHS PLC communication shall be performed by the BHS contractor.

## **2.4 NETWORKING**

### **2.4.1. Network Infrastructure**

The Project Manager will design and install all communication conduit, fiber, etc. as required by the EDS OEM's design criteria for the EDS and EDS networking system, including but not limited to connectivity of the remote OSR Room, ETD/Resolution area, and the Baggage Control Room as required. Exact parameters will be reviewed at Project start-up by TSA. The Project Manager will provide cabling and network patch panels in TSA control rooms, ETD search areas, and the TSA network room as determined by the network design conducted in conjunction with the Project Manager. The EDS OEM shall provide required patch cables and miscellaneous hardware to interface between network patch panel and EDS OEM-supplied networking components. The Project Manager will provide all electrical outlets to support installation and operation of a fully multiplexed explosive detection system.

### **2.4.2. Network Services**

No other network may interface with the networked airport screening solution. The implemented assigned network for operation shall be an isolated, stand-alone network.

## **2.5. IV&V - TESTING SUPPORT**

The Project schedule shall allow for sufficient time to conduct mandatory testing of the EDS units after installation and integration. The project schedule shall also factor in minimum lead times for notification of readiness for testing (7 days for SAT; 3 days for TRR; and 3 days for ISAT.) The Project Manager shall identify operational windows in time in which testing activities can be accomplished. Testing

activities will normally be scheduled for normal business days (Monday-Friday) and should not include holidays unless previously agreed to.

### **2.5.1 Site Specific Test Plan (SSTP)**

The Project Manager shall ensure that information needed to develop an accurate SSTP is provided to TSA Test Lead at the earliest opportunity, but no later than 90 days prior to requested testing date. Such documentation includes:

- BHS Specifications
- Controls Description and/or Description of Operation (if both exist then provide both)
- E-Stop Zone Drawings
- BHS Drawings Plan and Elevation Views
- Phasing Plan Narrative and Phasing Plan Drawings
- Construction and Testing Schedule

All drawings shall be clearly visible and readable when plotted on Arch D Size Stock. All documents shall be submitted electronically (e.g. text documents in MS Word or PDF and drawings in AutoCAD [.dwg] or PDF.)

Any system constraints that will prevent compliance with TSA testing and performance criteria should be disclosed as far in advance as possible to allow for evaluation of applicable waivers. Any restrictions on system availability and accessibility for testing shall be disclosed. Cutover plans including any phasing plans that will affect the Testing Contractor's ability to test the full system from ticket counters through the outbound/sortation system shall also be disclosed to allow for the development of an accurate SSTP.

The Project Manager will have the opportunity to review and comment on SSTP in advance of testing. Comments and/or questions should be directed to the TSA Project Lead and the TSA Site Lead.

### **2.5.2. Test Readiness Report (TRR)**

This pre-ISAT activity is conducted by TSA Site Lead in coordination with the Airport Project Team (typically the BHS Contractor.) The purpose of this testing activity is to assure TSA of site readiness for ISAT and is a precursor for TSA authorization for TSA Test Lead to deploy. The Project Manager Team will be provided TRR data sheets by the TSA Site Lead. BHS/CBIS configuration and operation shall be in final form intended for bag screening operations. Unless mutually agreed to, changes/improvements to BHS/CBIS between TRR and ISAT are not authorized. The Project Manager Team must address security and efficiency defects found during TRR and be prepared to implement mutually agreed upon corrective actions prior to ISAT.

Required input from the Project Team will include:

**Functional Testing Documentation:** Testing authentication must be clearly reported and show every test with bag ID and declared status on printed EDS FDRs (Field Data Reports) and resulting bag destination. Ledger forms should show test date, type of test, identification of bag destination location, and ID number of the bags arriving at that location. Sample ledger forms will be provided in the SSTP.

- These reports should be organized and indexed in a loose-leaf binder(s)
- Each test shall conclude with an indication of successfully passing the required criteria of BHS specification and testing criteria and if conflict or failure exists, then so indicate with an explanation.
- Presentation of completed testing and TRR required documentation to TSA Site Lead not less than 7 business days prior to anticipated Pre-ISAT date is required.

**Sort and Rate Test Observation:** Sufficient numbers of test bags (no less than 100 test bags per EDS) will be utilized to "stress" the BHS/CBIS as would occur during peak operating times. Test bag set profile should be similar to Battelle profile.

- A real-time observation by TSA Site Lead of a global BHS/CBIS Sort and Rate Test using clear and suspect bags is required.
- All EDS equipment must be operational.
- All baggage entry points must be utilized.
- After a successful TRR, TSA Deployment Lead approves start of ISAT testing and TSA Testing Contractor Team normally arrives at airport within 3 business days.

**2.5.3. Logistical Support Needs:** The Project Manager shall identify any logistical or support needs that will impact TRR and ISAT testing, to include:

- any process needed to obtain sufficient baggage tags should the system use IATA baggage tracking mechanisms;
- any process needed to obtain airport badges/access for TSA Testing Contractor's personnel;
- availability of baggage handling support for testing activities; and
- availability of support for delivery and secure storage of the TSA Testing Contractor's test bags for ISAT (100 bags per EDS.)

**2.5.4. ISAT Testing:** The TSA's Testing Contractor will meet with the Project Manager Team at least 30 days prior to testing to coordinate the conduct of ISAT testing. The TSA Test Lead and the Project Manager Team will finalize details relating to the scheduling and duration of the testing. (Generally allow 1.5 days per EDS line and 1.5 days per each system Sort Testing and Rate Testing.)

#### **2.5.5. Test Results and Reports**

In the event of a Defects Found or Failed result during TRR or ISAT testing, the Project Manager Team shall report corrective actions to be applied and the timeline associated with said corrections. If constructed system fails testing, TSA will work with the Project Manager Team to identify corrective solutions. TSA is not obligated to accept or operate a baggage screening system that does not meet the minimum test standards.

**2.5.6. Post ISAT and Run-in Activities:** The TSA Site lead will conduct 30-day operational run-in observations of the system following successful ISAT testing.

The airport/airline/authority shall provide a written response outlining corrective actions that will be taken due to outstanding deficiencies, issues, and action items identified in the Test Report within three (3) months.

It is essential for the continued secure and efficient operation of the CBIS that changes to the system are evaluated, reviewed and approved before they are implemented. Changes made to the system subsequent to ISAT should be coordinated and approved in advance with TSA Deployment Team. Failure to do so will lead to TSA decertification of the baggage screening system. In some cases the TSA Testing Contractor will need to evaluate proposed changes to determine if they constitute modifications sufficient to warrant the development of a new SSTP and re-testing.

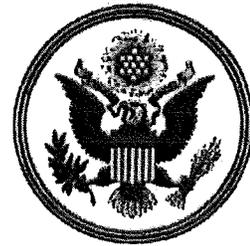
The following procedure is to be followed for all changes to CBIS systems other than those required for normal routine and periodic maintenance/repairs to the system. The airport/airline/authority responsible for the system shall assemble a package of information for submittal to TSA Office of Security Technology which includes the following minimum information.

- Written description of all physical and programming changes to the system
- Reason for proposed change
- Anticipated impact to system operations (i.e. increased throughput, lowered tracking losses, elimination of bag jams)
- Drawings showing affected areas

- Any potential security, tracking or efficiency impacts, including impact on manpower or operations
- Proposed date of changes
- Willingness of the airport or airline to pay for the changes to the system

This package shall be delivered to the applicable TSA FSD who shall review the package, adding any comments that he/she may have and forward the package to TSA Office of Security Technology.

The TSA Office of Security Technology will review the package. Once the review has been completed, the Office of Security Technology shall notify the airport/airline/authority and the applicable TSA FSD of the recommendations and testing requirements for the system changes.



**Modification No. 1 to  
MEMORANDUM OF AGREEMENT  
Dated September 10, 2008**

**BETWEEN**

**UNITED STATES  
DEPARTMENT OF HOMELAND SECURITY  
TRANSPORTATION SECURITY ADMINISTRATION**

**AND**

**THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY**

**RELATING TO**

**BAGGAGE SCREENING PROJECTS FOR  
John F. Kennedy International Airport (JFK)**

---

Negotiated by the TSA pursuant to  
Section 44923 of title 49, United States Code, as amended, and Division E, Department of Homeland Security  
Appropriations Act, 2008 of Public Law 110-161, the Consolidated Appropriations Act, 2008

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HSTS04-08-H-CT1236

Per Article XII – Changes and/or Modifications, the purposes of this modification is to; 1) add the TSA Fiscal Year 2009 funding increment to Article IV – Project Cost and Allowable Costs and 2) update the TSA Points of Contact identified in Article VIII – Authorized Representatives. **Funding for this effort is increased by \$78,000,000 from \$85,000,000 to \$163,000,000.**

Accordingly the following changes are made to the Agreement.

**1. ARTICLE IV. PROJECT COSTS AND ALLOWABLE COSTS**

Paragraph B of this article is deleted and replaced with the following:

B. Federal Share of Allowable Costs: The TSA, for and on behalf of the United States, shall pay as the United States share, ninety (90%) percent of the Allowable Costs (as such term is defined in Circular A-87) and identified in paragraph D of this Article incurred in accomplishing the Project described in this Agreement. The maximum obligation of the United States payable under this Agreement for Fiscal Year 2008 shall be:

<u>Fiscal Year</u>	<u>TSA Funding</u>
2008	\$85,000,000.00

PR: 2108208CT1236  
5CF08XB010D2008SWE041GE0132230062006622CTO-5906307200000000-252R-  
TSA DIRECT-DEF. TASK \$85,000,000.00

<u>Fiscal Year</u>	<u>TSA Funding</u>
2009	\$78,000,000

PR: 2109209CT1338  
5CF09XB010D2009SWE041GE013223006200622CTO-5906307200000000-251B-  
TSA DIRECT-DEF. TASK \$78,000,000.00

**Total: \$163,000,000.00**

**Funding for this effort is increased by \$78,000,000 from \$85,000,000 to \$163,000,000.**

**2. ARTICLE VIII. AUTHORIZED REPRESENTATIVES**

Paragraph A. of Article VIII- Authorized Representatives, the TSA Points of Contact is deleted and replaced with the following:

**A. TSA Points of Contact:**

**Terry Spradlin**  
**TSA Project Manager/Contracting Officer Technical Representative**  
**Transportation Security Administration Headquarters**  
**Office of Security Technology, TSA-16**  
**1 West Post Office Road, S-08**  
**Washington, DC 20528-6032**  
**Phone: 571-227-1563**  
**E-Mail Address: terry.spradlin@dhs.gov**

**Matthew Ashurst**  
**Contracting Specialist**  
**Transportation Security Administration**  
**Office of Acquisition, TSA-25**  
**601 South 12<sup>th</sup> Street**  
**Arlington, VA 20598-6025**  
**Phone: 571-227-5376**  
**E-Mail Address: matthew.ashurst@dhs.gov**

3. All other terms and conditions of the Agreement remain unchanged.

**Signatures**

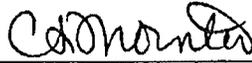
The Parties have executed this Agreement in multiple copies, each of which is an original.

**WITNESS:**

**THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY**

 **DATE: 7/17/09**  
By: Ernesto L. Butcher, Chief Operating Officer

**UNITED STATES**  
**Department of Homeland Security**  
**Transportation Security Administration**

 **DATE: 7.27.09**  
By: Connie Thornton, Contracting Officer

**Copy to:**  
**Federal Security Director, JFK**  
**Office of Security Technology**



Transportation  
Security  
Administration

## MEMORANDUM OF AGREEMENT (MOA)

<b>MOA NUMBER</b>	<b>REQUISITION NUMBER</b>
<b>MOA Number: HSTS04-08-H-CT1236</b> <b>Modification Number: P00007</b>	<b>2115-205-CT1163</b>
<b>ISSUED TO</b>	<b>ISSUED BY</b>
Port Authority of New York & New Jersey (PANYNJ) John F. Kennedy International Airport (JFK) 4 World Trade Center New York, NY 10007 DUNS: 001794205	Bonnie Evangelista, Contracting Officer Transportation Security Administration 701 12 <sup>th</sup> St, S Arlington, VA 20598-6025 Email: bonnie.evangelista@tsa.dhs.gov
<b>PROGRAM TITLE</b>	
Program Office: Office of Security Capabilities Program: Electronic Baggage Screening Program OTA Period of Performance: 9/5/2008 – 9/30/2016	
<b>FISCAL DATA</b>	
PR Number: 2115-205-CT1163 Accounting Line: n/a Net Increase: \$0	
<b>PURPOSE</b>	
<p>In accordance with Article XII "Changes and/or Modifications" of MOA Number HSTS04-08-H-CT1236 (the MOA) the following changes apply as a result of this modification:</p> <ol style="list-style-type: none"><li>(1) Article VI "Effective Date and Term" is revised to extend the MOA period of performance from September 20, 2015 to September 30, 2016 at no additional cost to the Government.</li><li>(2) This Modification acknowledges the following project status by Terminal:<ol style="list-style-type: none"><li>a. <u>Terminal 1</u>: Project is complete. PANYNJ shall take all reasonable measures to complete final invoicing and closeout of the Terminal 1 project in accordance with Articles VII and IX of the MOA.</li><li>b. <u>Terminals 2/3</u>: No projects planned.</li><li>c. <u>Terminal 4</u>: Project is complete. PANYNJ shall take all reasonable measures to complete final invoicing and closeout of the Terminal 4 project in accordance with Articles VII and IX of the MOA.</li><li>d. <u>Terminal 7</u>: Project not started to date.</li><li>e. <u>Terminal 8</u>: Project is complete</li></ol></li><li>(3) Article V "PANYNJ Project Responsibilities" is revised to include the below paragraphs.<ol style="list-style-type: none"><li>15. TSA authorizes PANYNJ to proceed with design services of the planned Checked Baggage Inspection System (CBIS) that will integrate TSA's Explosive Detection System (EDS) technology at Terminal 7. TSA agrees to reimburse PANYNJ 90% of the allowable, allocable and reasonable Terminal 7 design project costs in accordance with the MOA terms and conditions. The TSA reimbursement for design costs for Terminal 7 at JFK may not exceed \$2,000,000. The completion date of the Terminal 7 design phase project is estimated to be September 30, 2016.</li></ol></li></ol>	

16. TSA authorizes PANYNJ to proceed with design and installation of the balance crossovers at Terminal 4. TSA agrees to reimburse PANYNJ 90% of the allowable, allocable and reasonable Terminal 4 balance crossovers design and installation project costs in accordance with the MOA terms and conditions. The TSA reimbursement for design and installation costs for Terminal 4 balance crossovers project at JFK may not exceed \$5,000,000. The completion date of the design and installation Terminal 4 balance crossovers project is estimated to be September 30, 2016.

(4) No new work (other than work defined in this modification) may be initiated, or new expenses incurred, for Terminals 1, 2/3, 4, 7 and 8 without prior written authorization by the TSA Contracting Officer in order to be considered for reimbursement in accordance with the MOA terms and conditions. TSA will not reimburse PANYNJ for any cost incurred for work that was not approved by TSA in accordance with Article VII of the MOA.

(5) All other terms and conditions remain unchanged.

**AUTHORIZED SIGNATURES**

IN WITNESS WHEREOF, the Parties have entered into this Agreement by their duly authorized officers.

 9/14/2017  
Signature Date

 9/15/2015  
Contracting Officer's Signature Date

Stephanie Dawson  
PRINTED NAME AND TITLE  
Chief Operating Officer (Acting)

Bonnie Evangelista, TSA Contracting Officer  
PRINTED NAME AND TITLE

**AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT**

2. AMENDMENT/MODIFICATION NO. <b>P00002</b>		3. EFFECTIVE DATE <b>09/20/2013</b>	4. REQUISITION/PURCHASE REQ. NO. <b>AA13STD115</b>	5. PROJECT NO. (If applicable)	
6. ISSUED BY Matthew Ashurst, Contracting Officer Transportation Security Administration 601 South 12 <sup>th</sup> Street Arlington, VA 20598-6025		7. ADMINISTERED BY (If other than Item 6) Kirsten M. O'Brien, Contract Specialist Phone: (571)227-5633 Fax: (571)227-1392 Kirsten.O'Brien@dhs.gov			

8. NAME AND ADDRESS OF CONTRACTOR (No. Street, county, State and ZIP; Code) The Port Authority of New York and New Jersey 233 Park Avenue South, 9 <sup>th</sup> Floor New York, NY 10003		(4) 9A. AMENDMENT OF SOLICITATION NO.
		9B. DATED (SEE ITEM 11)
		10A. MODIFICATION OF CONTRACT/ORDER NO. <b>X HSTS04-08-H-CT1236</b>
		10B. DATED (SEE ITEM 13) <b>09/05/2008</b>
CODE	FACILITY CODE	

**11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS**

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers  is extended,  is not extended.  
 Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:  
 (a) By completing Items 8 and 15, and returning one (1) copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATA SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and data specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)  
N/A

**13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.**

(4)	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
<b>X</b>	D. OTHER (Specify type of modification and authority) <b>Article XII - Changes and Modifications</b>

E. IMPORTANT: Contractor \_\_\_ is not, **X** is required to sign this document and return **1** copy to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)  
 The purpose of Modification P00002 to Memorandum of Agreement (MOA) HSTS04-08-H-CT1236, is to modify Article VI - Effective Date and Term.

Modification P00002 is hereby issued as follows:  
 1. Article VI - Effective Date and Term:  
 The Period of Performance is revised from September 20, 2013 to September 20, 2015.  
 2. Except as provided herein, all other terms and conditions remain unchanged and in full force and effect.

**End of Modification P00002**

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print) <i>Stephanie Dawson, Chief Operating Officer</i>	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Matthew Ashurst Contracting Officer
15B. CONTRACTOR/OFFEROR <i>Stephanie Dawson</i>	16B. UNITED STATES OF AMERICA BY <i>MA</i>
15C. DATE SIGNED <i>9/19/13</i>	16C. DATE SIGNED <i>09/20/13</i>

<b>AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT</b>			1. CONTRACT ID CODE	PAGE OF PAGES 1 2
2. AMENDMENT/MODIFICATION NO. P00003	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO. 2114204CT1064	5. PROJECT NO. (If applicable)	
6. ISSUED BY Department of Homeland Security Transportation Security Administration 701 South 12 <sup>th</sup> Street Arlington, VA 20588-6025		7. ADMINISTERED BY (If other than Item 6) Kirsten M. O'Brien P: 571-227-5633 F: 571-227-2911 Kirsten.O'Brien@dhs.gov		
8. NAME AND ADDRESS OF CONTRACTOR (No. Street, county, State and ZIP: Code) The Port Authority of New York and New Jersey 233 Park Avenue South, 9 <sup>th</sup> Floor New York, NY 10003			9A. AMENDMENT OF SOLICITATION NO.	
			9B. DATED (SEE ITEM 11)	
			10A. MODIFICATION OF CONTRACT/ORDER NO. X HSTS04-08-H-CT1236	
			10B. DATED (SEE ITEM 13) 09/05/2008	
CODE	FACILITY CODE			

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers  is extended,  is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:  
 (a) By completing Items 6 and 15, and returning one (1) copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATA SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and data specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

No funding required.

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

(4) A.	THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
B.	THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
C.	THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
D.	OTHER Specify type of modification and authority X Article XIII Changes and or Modifications

E. IMPORTANT: Contractor  is not,  is required to sign this document and return 1 copies to the issuing office.

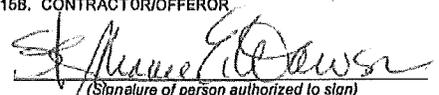
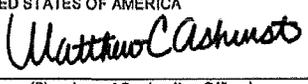
14. DESCRIPTION OF AMENDMENT/MODIFICATION

This is a no cost modification to add the following:

Article V – Project Responsibilities, Paragraph B. PANYNJ Project Responsibilities, page 7 is amended to add the following statement:

“13. Install nine (9) light curtains on existing CTX EDS machines in Terminal 4 (T4). Installation shall include all necessary labor and materials required to meet OEM specifications and shall be PGDS compliant. The price for this work will not exceed \$80,466.29 as outlined in the attached Delta GSE Light Curtain Proposal (page 2) and will be accomplished within the existing funding amount stated in Article IV Project Cost and Allowable Costs.”

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print) Stephanie E. Dawson, Acting COO	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Matthew Ashurst
15B. CONTRACTOR/OFFEROR  (Signature of person authorized to sign)	15C. DATE SIGNED 4/1/2014
16B. UNITED STATES OF AMERICA BY  (Signature of Contracting Officer)	16C. DATE SIGNED 040714

<b>DELTA GSE LIGHT CURTAIN PROPOSAL</b>			
<b>MATERIAL</b>			
<b>Qty.</b>	<b>Cost</b>	<b>Description</b>	<b>Subtotal</b>
6	\$ 40.00	Quick Disconnect Cable	\$ 240.00
4	\$ 48.00	Quick Disconnect Cable	\$ 192.00
12	\$ 25.00	Quick Disconnect Cable	\$ 300.00
12	\$ 54.10	cable splitter	\$ 649.20
2	\$ 138.35	Stranded 12AWG THHN Wire	\$ 276.70
30	\$ 1.39	Terminal Block	\$ 41.70
9	\$ 432.00	Light Curtain	\$ 3,888.00
9	\$ 741.00	Light Curtain	\$ 6,669.00
12	\$ 9.67	Paint	\$ 116.04
2	\$ 15.52	Thinner	\$ 31.00
5	\$ 20.65	Scuff Duty Pad	\$ 103.25
10 <sup>9</sup> <i>JMC</i>	\$ 346.00	Light Curtain Frame	\$ 3,460.00
			<b>Subtotal</b>
			<b>\$ 15,966.89</b>
<b>LABOR</b>			
2	\$ 63.91	10 hours per tech @ 9 CTX	\$ 11,503.80
<b>ENGINEERING</b>			
1	\$ 42,500.00	Brock Engineering	\$ 42,500.00
		Contingency 15%	\$ 10,495.60
<b>TOTAL COST</b>			<b>\$ 80,466.29</b>

All other terms and conditions remain unchanged.

End Modification P00003

<b>AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT</b>			1. CONTRACT ID CODE	PAGE OF PAGES 1 2
2. AMENDMENT/MODIFICATION NO. <b>P00004</b>	3. EFFECTIVE DATE <b>See Block 16C</b>	4. REQUISITION/PURCHASE REQ. NO. <b>AA14STD085</b>	5. PROJECT NO. (If applicable)	
6. ISSUED BY Department of Homeland Security Transportation Security Administration 701 South 12 <sup>th</sup> Street Arlington, VA 20588-6025		7. ADMINISTERED BY (If other than Item 6) Kirsten M. O'Brien P: 571-227-5633 F: 571-227-2911 Kirsten.O'Brien@dhs.gov		
8. NAME AND ADDRESS OF CONTRACTOR (No. Street, county, State and ZIP: Code) The Port Authority of New York and New Jersey 233 Park Avenue South, 9 <sup>th</sup> Floor New York, NY 10003			9A. AMENDMENT OF SOLICITATION NO.	
			9B. DATED (SEE ITEM 11)	
			10A. MODIFICATION OF CONTRACT/ORDER NO. <b>X</b> HSTS04-08-H-CT1236	
			10B. DATED (SEE ITEM 13) <b>09/05/2008</b>	
CODE	FACILITY CODE			

**11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS**

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers  is extended,  is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:  
 (a) By completing Items 8 and 15, and returning one (1) copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATA SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and data specified.

**12. ACCOUNTING AND APPROPRIATION DATA (If required)**

No funding required.

**13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.**

(4) A.	THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
B.	THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
C.	THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
D.	OTHER Specify type of modification and authority <b>X Article XIII Changes and or Modifications</b>
E. IMPORTANT: Contractor <input type="checkbox"/> is not, <input checked="" type="checkbox"/> is required to sign this document and return <u>1</u> copies to the issuing office.	

**14. DESCRIPTION OF AMENDMENT/MODIFICATION**

See Page 2.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print) <i>Stephanie E. Dawson, Acting COO</i>	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Kirsten M. O'Brien
15B. CONTRACTOR/OFFEROR <i>Stephanie E. Dawson</i> (Signature of person authorized to sign)	15C. DATE SIGNED <i>4/1/2014</i>
16B. UNITED STATES OF AMERICA BY <i>Kirsten M. O'Brien</i> (Signature of Contracting Officer)	16C. DATE SIGNED 04/07/2014

In accordance with Article XIII, "Changes and/or Modifications", the project responsibilities for the aforementioned Agreement is modified.

This is a no cost modification to add the following:

Article V – Project Responsibilities, Paragraph B. PANYNJ Project Responsibilities, page 7 is amended to add the following statement:

"14. JFK Terminal 4 – CBRA Modifications in the East and West Matrices. The following modifications will be made:

- CBRA queuing will be modified to not send a bag to a BRP unless the associated BIT is free;
- A clear button will be added to the BIT to let the system know when the TSO is finished with a bag;
- The enable/disable buttons will be removed from the BRPs and BITs;
- An auto-purge function will be added for bags that are improperly removed from the BRP."

All other terms and conditions remain unchanged.

End Modification P00004

<b>AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT</b>				1. CONTRACT ID CODE		PAGE OF PAGES 1 2	
2. AMENDMENT/MODIFICATION NO. <b>P00005</b>		3. EFFECTIVE DATE <b>See Block 16C</b>		4. REQUISITION/PURCHASE REQ. NO. <b>2114204CT1186</b>		5. PROJECT NO. (If applicable)	
6. ISSUED BY Department of Homeland Security Transportation Security Administration 701 South 12 <sup>th</sup> Street Arlington, VA 20588-6025				7. ADMINISTERED BY (If other than Item 6) Bonnie Evangelista P: 571-227-1655 Bonnie.evangelista@tsa.dhs.gov			
8. NAME AND ADDRESS OF CONTRACTOR (No. Street, county, State and ZIP; Code) The Port Authority of New York and New Jersey 233 Park Avenue South, 9 <sup>th</sup> Floor New York, NY 10003						9A. AMENDMENT OF SOLICITATION NO.	
						9B. DATED (SEE ITEM 11)	
						10A. MODIFICATION OF CONTRACT/ORDER NO. <b>X</b> HSTS04-08-H-CT1236	
						10B. DATED (SEE ITEM 13) <b>09/05/2008</b>	
CODE		FACILITY CODE					

**11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS**

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers  is extended,  is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:  
 (a) By completing Items 8 and 15, and returning one (1) copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATA SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and data specified.

**12. ACCOUNTING AND APPROPRIATION DATA (If required)**

No funding required.

**13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.**

(4)	A.	THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B.	THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
	C.	THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
	D.	OTHER Specify type of modification and authority <b>X Article XIII Changes and or Modifications</b>
E. IMPORTANT: Contractor <input type="checkbox"/> is not, <input checked="" type="checkbox"/> is required to sign this document and return <u>1</u> copies to the issuing office.		

**14. DESCRIPTION OF AMENDMENT/MODIFICATION**

The purpose of this modification is two-fold: (1) revise section Article V *Project Responsibilities* and (2) revise Article VIII *Authorized Representatives*. See Page 2 for details.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print) <i>Stephanie Dawson Chief Operating Officer</i>		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Bonnie Evangelista	
15B. CONTRACTOR/OFFEROR <i>Stephanie Dawson</i> <small>(Signature of person authorized to sign)</small>		16B. UNITED STATES OF AMERICA <i>BE</i> <small>(Signature of Contracting Officer)</small>	
15C. DATE SIGNED <i>07/02/2014</i>		16C. DATE SIGNED <i>7/2/2014</i>	

In accordance with Article XII *Changes and/or Modifications*, the subject Agreement listed in Block 10A is modified as stated hereafter:

1. Remove and replace item number fourteen (14) in Paragraph B of Article V *Project Responsibilities* in its entirety with the following:

“14. JFK Terminal 4 – CBRA Modifications in the East and West Matrices. The following modifications will be made:

- CBRA queuing will be modified to not send a bag to a BRP unless the associated BIT is free.
- A clear button will be added to the BIT to let the system know when the TSO is finished with a bag.
- The enable/disable buttons will be removed from the BRPs and BITs.
- An auto-purge function will be added for bags that are improperly removed from the BRP.
- A reinsertion button will be added to the BRP to allow operators to assign a bag to re-insert.
- BRPs will be modified to only transfer bags to its associated BIT.
- The process in which BITs send information to SVS will be modified as follows:
  - KNOWN bags will automatically send a tracked bag’s information to SVS when the bag is transferred to the BIT from the BRP.
  - The BIT will automatically try to identify UNKNOWN bags and send its information to the SVS. If it cannot identify the bag it will cue the operator for the manual intervention of scanning the bag’s barcode and/or entering the bag’s information into the BIT.
- A report will be added to track CBRA baggage processing times.”

2. The aforementioned change shall not exceed \$100,640 as outlined in the Brock Solutions proposal dated March 24, 2014 (Exhibit 1) and will be accomplished within the existing funding amount stated in Article IV *Project Cost and Allowable Costs*.

3. Update the Contracting Officer information in Paragraph A of Article VIII *Authorized Representatives* as follows:

Bonnie Evangelista  
Contracting Officer  
701 South 12<sup>th</sup> Street  
Arlington, VA 20598  
571-227-1655  
Bonnie.evangelista@tsa.dhs.gov

4. All other terms and conditions remain unchanged.

**End Modification P00005**

**Company Name:** Delta Air Lines  
**Address:**  
**Attention:** Jim Tiefenthaler  
**Subject:** JFK Terminal 4 – CBRA Modifications  
**Date:** March 24, 2014  
**Phone:** (832)866-2338  
**E-Mail:** jtiefenthaler@satpon.com  
**Reference #:** Verbal  
**Quote #:** QTL04665  
**Version #:** 3.0

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## 1.1 Introduction

Brock Solutions is pleased to provide Delta Air Lines with a quotation for the CBRA Modification project at JFK Terminal 4 in New York, New York.

## 1.2 Overview

This project involves modifying the CBRA process in the East and West Matrices at JFK Terminal 4. The following modifications will be made:

- CBRA queuing will be modified to not send a bag to a BRP unless the associated BIT is free.
- A clear button will be added to the BIT to let the system know when the TSO is finished with a bag.
- The enable/disable buttons will be removed from the BRPs and BITs.
- An auto-purge function will be added for bags that are improperly removed from the BRP.
- A re-insertion button will be added to the BRP to allow operators to assign a bag to re-insert.
- BRPs will be modified to only transfer bags to its associated BIT (currently the BRPs can transfer bags to any BIT)
- The process in which BITs send information to SVS will be modified as follows:
  - KNOWN bags will automatically send a tracked bag's information to SVS when the bag is transferred to the BIT from the BRP.

- The BIT will automatically try to identify UNKNOWN bags and send its information to the SVS. If it cannot identify the bag it will cue the operator for the manual intervention of scanning the bag's barcode and/or entering the bag's information into the BIT.
- A report will be added to track CBRA baggage processing times.

### 1.3 Deliverables

Brock Solutions will provide the following deliverables:

- Functional Specification;
- PLC Development;
- Software Development;
- Commissioning and Testing;
- Standby Support.

### 1.4 Pricing

The cost for the proposed JFK T4 CBRA Modification project is **\$100,640.00**.

#### Pricing Notes:

- Prices exclude taxes and bonding as applicable.
- Prices in US dollars.
- Payment in full is a prerequisite to transfer of title to the Customer or the right to use of the Project for any purpose.
- Progress billings will be invoiced monthly based on the progress of work. Terms are net 30 days from the invoice date. Interest will be billed on late payments at the rate of 1% per month (12.68% per year). Pricing, schedules, and milestones may require adjustment if the project is suspended, delayed, or terminated for the convenience of the Customer.

### 1.5 Clarifications

1. No modifications to the conveyor layout and/or controls devices are included.
2. It is assumed that all CBRA modifications will be implemented on the East and West Matrices of the JFK Terminal 4 CBIS system.
3. Two (2) days of TSA certification testing is included for each Matrix. If extra time is required this will be extra.
4. No additional travel has been included for TSA certification testing. It is assumed TSA certification testing will start a day after Brock Solutions has completed implementing the changes on each matrix. If additional trips are required to accommodate a prolonged schedule this will be extra.
5. It is assumed that a safety coordinator is not required for the duration of the project.

6. Delta will supply all baggage handling labor that may be required to maintain operations during the interim phasing steps.
7. Delta will supply all test baggage as well as all personnel required to handle baggage and/or escort baggage handlers during all phases of testing.
8. Brock Solutions will not be responsible for the movement, handling or installation of any EDS equipment.
9. No training is included with this proposal.
10. With the base proposal, Brock Solutions is providing two days of 8 hours per day onsite standby support after start-up of the system (1 person per shift only).

We wish to thank you for the opportunity to deliver this quotation and look forward to further discussions on this project. If you have any questions or concerns, please do not hesitate to contact me at (226)646-0036.

Yours Truly,

Ghislain Arsenault  
BROCK SOLUTIONS

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**Terms:**

**F.O.B:** Kitchener  
**G.S.T:** #R105097638  
**Applicable Taxes:** Extra  
**Shipment:** Included  
**Duties/Brokerage:** Included

Orders based on quotations are subject to acceptance by us.

Quotations are valid for 90 days.

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## 2 Proposal Clarifications and Assumptions

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### 2.1 Site Access

Brock Solutions assumes that pre-arranged site time will be uninterrupted, and that our personnel will have free and clear access to equipment and reasonable assistance of Customer personnel. Should site time be interrupted by factors outside of Brock Solutions' control, all resulting standby time will be billed at the rates noted in Section 2.6: Changes to Scope of Project

### 2.2 Customer Role and Responsibilities

This proposal assumes that all relevant information (sketches, drawings, specifications, other documents or queries related to the Project) that may reasonably be required by Brock Solutions to execute the Project will be provided by the Customer, that Brock Solutions is entitled to rely on its accuracy and completeness, and that the Customer will give prompt consideration to all information submitted by Brock Solutions for Customer review or decisions. Should the Customer not fulfill its Project responsibilities, including payment of invoices when due, delays in the Project may result.

The Customer understands the importance of staff continuity to Brock Solutions business and consequently the Customer will in no way solicit for employment any Brock Solutions employee; otherwise Brock Solutions has the right to charge the Customer for damages incurred.

### 2.3 Warranty and Project Performance

Pricing includes warranty that the Project will perform according to the specifications mutually agreed on and documented in the detailed functional specification until the earlier of (a) 90 days from the date of acceptance or beneficial first use or (b) 120 days from delivery. Any performance figures provided by Brock Solutions are based on what we typically obtain in tests in our office. Brock Solutions has no responsibility for, and will not be liable for implied warranties, performance-oriented goals or similar targets unless specifically agreed in writing, subject to applicable recognized tolerances.

During the warranty period, Brock Solutions will correct, at Brock Solutions' office, any errors that prevent the Project functioning in accordance with the functional specification. Any costs to remove and reinstall a warranty item are the Customer's responsibility. The warranty is void if any changes are made to the Project without the written approval of Brock Solutions and is contingent on the Customer having performed appropriate regular maintenance. Warranty work will be carried out Monday to Friday during normal business hours. Emergency support services are available at Brock Solutions' then-current rates for such services.

Brock Solutions does not warrant components manufactured by others, but to the maximum extent permitted by the manufacturer, Brock Solutions will transfer any third-party hardware and software warranties to the Customer upon delivery of the Project.

### 2.4 Ownership and Use of Intellectual Property (IP)

All background IP provided by a party to the Project, and not developed or acquired through the course of the Project will remain exclusively owned by the party providing the background IP.

All resulting IP developed by Brock Solutions through the course of the Project will be owned exclusively by Brock Solutions, but Brock Solutions grants to the Customer a permanent, non-exclusive, fully paid and royalty free license to the background and resulting IP to the extent required to utilize the Project at the Customer's site for the life of the Project for which it was developed.

**2.5 Indemnities and Limitation of Liability**

Brock Solutions and the Customer will each indemnify and hold harmless the other from all successful suits, actions, or claims because of any injury or damage to any person or property because of any infringements of patents, trademarks, or copyrights directly attributable to the acts or omissions of the indemnifying party.

Brock Solutions' maximum liability to the Customer is its proportionate share of the total liability based on degree of fault, to a maximum of the contract amount. In no event will Brock Solutions be liable for any indirect, consequential, incidental, liquidated, penal or other damages.

**2.6 Changes to Scope of Project**

Brock Solutions will notify the Customer of any scope changes that may arise during the execution of this project. If mutually agreed, Brock Solutions can quote the change in scope on a fixed-price basis. Alternatively, any increases to the Project scope of work will be billed on a time and material basis using the following rates:

Description	Rate (per hr)
Advisory Services / Technical Expert	\$175
Project Manager / Senior Technical Staff	\$150
Intermediate Technical Staff	\$125
Junior Technical Staff	\$110
CAD	\$80
Project Support and Administration	\$65
Panel Fabrication / Wiring	\$65

**Notes on Time and Material Rates:**

- Materials and expenses will be billed at cost plus 15%
- Travel to and from site will be billed at cost plus 15%
- Meals will be billed at a per diem rate applicable to the site location
- Accommodation will be billed at a per diem rate applicable to the site location
- Time and material reports may be provided for Customer signature on a daily basis

**2.7 Brock Solutions Project Terms and Conditions**

This proposal assumes the commercial terms outlined in Brock Solutions' Project Agreement – General or Project Terms and Conditions – General, a copy of which is available upon request.

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE

PAGE OF PAGES

1 2

2. AMENDMENT/MODIFICATION NO.

PO0006

3. EFFECTIVE DATE

See Block 16C

4. REQUISITION/PURCHASE REQ. NO.

5. PROJECT NO. (if applicable)

6. ISSUED BY

CODE

Transportation Security Administration  
Office of Acquisition  
601 South 12<sup>th</sup> Street  
Arlington, VA 20598-6025

7. ADMINISTERED BY (if other than Item 6)

CODE

8. NAME AND ADDRESS OF CONTRACTOR (No. Street, county, State and ZIP+ Code)

The Port Authority of New York and New Jersey  
233 Park Avenue South, 9<sup>th</sup> Floor  
New York, NY 10003

(4) 9A. AMENDMENT OF SOLICITATION NO.

9B. DATED (SEE ITEM 11)

10A. MODIFICATION OF CONTRACT/ORDER NO.

X HSTS04-08-H-CT1236

DATE OF THIS MODIFICATION  
September 5, 2008

CODE

FACILITY CODE

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers  is extended,  is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:

(a) By completing Items 8 and 15, and returning one (1) copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (if required)

\$0

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

(4) A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.

B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.101(b).

C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:

X D. OTHER (Specify type of modification and authority)  
Article XII - Changes and/or Modifications

E. IMPORTANT: Contractor  is not,  is required to sign this document and return 1 copy to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

In accordance with Article XII, "Changes and/or Modifications," the purpose of this modification is to modify Article III of the Memorandum of Agreement referenced in Item 10A above to include Terminal 8 of John F. Kennedy International Airport ("JFK") within the scope of the Memorandum of Agreement, for the limited purposes and solely to the extent described in this modification, and to authorize the reimbursement of costs associated with the construction of American Airlines' Checked Baggage Inspection System at Terminal 8 of JFK. The costs reimbursable under this modification shall not exceed eleven million, two hundred five thousand, nine hundred thirty dollars and eighteen cents (\$11,205,930.18). The Port Authority of New York and New Jersey ("PANYNJ") hereby assigns to American Airlines the right to payment created under this modification. See page two for detailed explanation.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)

Stephanie Dawson

16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)

Bonnie Evangelista  
Contracting Officer

15B. CONTRACTOR/OFFEROR

Stephanie Dawson  
Signature of person authorized to sign

15C. DATE SIGNED

12/1/2014

16B. UNITED STATES OF AMERICA

BY Bonnie Evangelista  
Signature of Contracting Officer

16C. DATE SIGNED

11/13/2015

1. This modification authorizes reimbursement by TSA of certain costs associated with construction of American Airlines' completed Checked Baggage Inspection System ("CBIS") at Terminal 8 of JFK. This modification also modifies Article III of the document referenced in Item 10A (the "Memorandum of Agreement") to include JFK Terminal 8 within the scope of the Memorandum of Agreement, but only for the limited purposes and solely to the extent described in this modification.
2. Except as provided in Paragraph 1 above, nothing in this modification shall constitute an increase or decrease to the scope of work otherwise described in Article III of the Memorandum of Agreement.
3. The funding for which TSA may provide reimbursement under this modification shall not exceed eleven million, two hundred five thousand, nine hundred thirty dollars and eighteen cents (\$11,205,930.18). TSA will provide 100% reimbursement, up to the above-stated amount, of the approved invoices for costs associated with American Airlines' construction of the CBIS component of the JFK Terminal 8 facility and incurred by American Airlines. Prior to approving reimbursement of any invoices, TSA shall determine that the costs reflected in those invoices were reasonable, allowable, and allocable to the project. The determination whether costs are reasonable, allowable, and allocable shall be made in accordance with the principles set forth in Version 4.2 of the Planning Guidelines and Design Standards for Checked Baggage Inspection Systems, except that the absence of a prior written agreement with TSA shall not preclude the reimbursement of such costs.
4. The PANYNJ hereby assigns the right to payment created under this modification to American Airlines up to the value of this modification. The PANYNJ agrees that invoices may be submitted by American Airlines directly to TSA, and payment may be made by TSA directly to American Airlines.
5. Except as provided herein, all terms and conditions of the Memorandum of Agreement remain unchanged and are in full force and effect.