

**CITY OF EL PASO, TEXAS  
AGENDA ITEM  
DEPARTMENT HEAD'S SUMMARY FORM**



**DEPARTMENT:** El Paso International Airport  
Purchasing & Strategic Sourcing

**AGENDA DATE:** February 25, 2025

**PUBLIC HEARING DATE:** N/A

**CONTACT PERSON NAME:** Tony Nevarez, Aviation Director      **PHONE NUMBER:** (915)212-7301

Claudia A. Garcia, Director of Purchasing & Strategic Sourcing      **PHONE NUMBER:** (915)212-0043

**DISTRICT(S) AFFECTED:** All

**STRATEGIC GOAL:** No. 1 - Create an Environment Conducive to Strong sustainable Economic Development

**SUBGOAL:** 1.4 Grow the core business of air transportation

**SUBJECT:**

Discussion and action on the award of solicitation 2024-0450R Passenger Boarding Bridge and Check Baggage Inspection System Maintenance to Daifuku Services America Corporation for an initial term of five (5) years for an estimated amount of \$7,007,165.24. The award also includes a two (2) year option for an estimated amount of \$2,551,596.63 and three (3) additional one-year options for an estimated amount of \$4,753,863.98. The total contract time is for ten (10) years for a total estimated amount of \$13,862,625.85.

**BACKGROUND / DISCUSSION:**

The airport's six commercial airlines collectively operate over 100 daily arrivals and departures, serving approximately 3.9 million passengers annually. As of August 2024, the airport offers 7,306 daily outbound seats. To support this growth and ensure operational efficiency, the airport will partner with a third-party manager to oversee the Checked Baggage Inspection System (CBIS), which processes over 1 million bags annually. This management contract will also include maintenance of the inbound baggage claim belts, the Federal Inspection Services (FIS) facility, and the airport's 15 Passenger Boarding Bridges (PBB). The third-party manager will implement all recommended preventive maintenance measures and address daily operational needs, ensuring the seamless functionality of these critical systems.

**COMMUNITY AND STAKEHOLDER OUTREACH:**

A pre-proposal meeting was held on May 22, 2024. Seven (7) suppliers were in attendance. A site visit was held on May 31, 2024. Three (3) suppliers were in attendance.

**SELECTION SUMMARY:**

Solicitation was advertised on May 14, 2024 and May 21, 2024. The solicitation was posted on City website on May 14, 2024. There were eighteen (18) viewers online; five (5) proposals were received; none from local suppliers.

**CONTRACT VARIANCE:**

The difference based in comparison to the previous contract is as follows: An increase of \$4,484,703.99 for the initial term, which represents a 246.08% increase due to passenger boarding bridge services being added, increase in pricing for Checked Baggage Inspection System, and an increase to reimbursables for parts and materials.

**PROTEST**

No protest received for this requirement.

**PRIOR COUNCIL ACTION:**

N/A

2024-0450R Passenger Boarding Bridge and Check Baggage Inspection System Maintenance  
Revised 11/20/2024-V4 – Previous Versions Obsolete

**AMOUNT AND SOURCE OF FUNDING:**

Amount: \$7,007,165.24

Funding Source: Airport Operating Fund

Account: 562-3000-62205-522150

**REPORTING OF CONTRIBUTION OR DONATION TO CITY COUNCIL:**

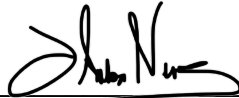
Report any contributions or donations to City Council of an accumulated total of \$500 or more. Report the name of the elected official and the amount.

NAME	AMOUNT (\$)
Form was provided to the applicant	

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\*\*\*\*\*REQUIRED AUTHORIZATION\*\*\*\*\*

**DEPARTMENT HEAD:**



\_\_\_\_\_  
Tony Nevarez, Aviation Director



\_\_\_\_\_  
Claudia A. Garcia, Director of Purchasing &  
Strategic Sourcing

Project Form  
Request for Proposals

\*\*\*\*\*Posting Language Below\*\*\*\*\*

Please place the following item on the Regular Agenda for the City Council of February 25, 2025.

Strategic Goal 1 - Create an Environment Conducive to Strong sustainable Economic Development

The linkage to the Strategic Plan is subsection: 1.4 Grow the core business of air transportation

**Award Summary:**

Discussion and action on the award of solicitation 2024-0450R Passenger Boarding Bridge and Check Baggage Inspection System Maintenance to Daifuku Services America Corporation for an initial term of five (5) years for an estimated amount of \$7,007,165.24. The award also includes a two (2) year option for an estimated amount of \$2,551,596.63 and three (3) additional one-year options for an estimated amount of \$4,303,863.98. The total contract time is for Ten (10) years for a total estimated amount of \$13,862,625.85. This contract will allow the maintenance and operation of the Checked Baggage Inspection System (CBIS) and Passenger Boarding Bridges (PBB).

**Contract Variance:**

The difference based in comparison to the previous contract is as follows: An increase of \$5,184,703.99 for the initial term, which represents a 284.49% increase due to passenger boarding bridge services being added, increase in pricing for Checked Baggage Inspection System, and an increase to reimbursables for parts and materials.

Department:	El Paso International Airport
Award to:	Daifuku Services America Corporation
City & State:	Novi, MI
Item(s):	All
Initial Term:	5 Years
Option Term 1:	2 Years
Option Term 2 - 4:	3 - 1 Year
Total Contract Time:	10 Years
Initial Term Estimated Award:	\$7,007,165.24
Option Terms Estimated Award:	\$6,855,460.61
Total Estimated Award	\$13,862,625.85
Account(s)	562-3000-62205-522150
Funding Source(s):	Airport Operating Fund
District(s):	All

This was a Request for Proposals Procurement – service contract

The Purchasing & Strategic Sourcing and El Paso International Airport departments recommend award as indicated to Daifuku Services the the highest ranked offeror based on the evaluation factors established in the evaluation criteria for this procurement.

It is requested that the City Manager be authorized to establish the funding sources and make any necessary budget transfers and execute any and all documents necessary for execution of this award.

In accordance with this award, the City Manager or designee is authorized to exercise future options if needed.

Additionally, it is requested that the City Attorney's Office review and that the City Manager or designee be authorized to execute any related contract documents and agreements necessary to effectuate this award.

CITY OF EL PASO REQUEST FOR PROPOSAL SCORESHEET							Ranking
PROJECT: 2024-0450R El Paso Airport Passenger Boarding Bridge and Check Baggage Inspection System Maintenance							
<i>Evaluation of Submittal</i>							
	MAX POINTS	Daifuku Services America Corporation	ERMC Aviation, LLC	JSM Airport Services, LLC	Pteris Global (USA), Inc.	Symbrant Aviation Services	
<b>Factor A - Fee Proposal</b>							
Factor to be evaluated by the Purchasing Department	5	5.00	3.64	3.02	3.49	1.63	
<b>Factor B - Proposed Staffing Table and Qualifications of the Proposed Project Manager and Supporting Staff</b>							
Averages	15	13.38	12.58	12.35	3.35	6.40	
<b>Factor C - Offeror' s Experience</b>							
Averages	15	13.63	12.88	13.13	8.13	13.00	
<b>Factor D - References</b>							
Factor to be evaluated by the Purchasing Department	10	9.86	6.66	0.00	0.00	3.33	
<b>Factor E - Computer Maintenance Management System</b>							
Averages	10	8.85	7.70	8.85	4.50	7.65	
<b>Factor F – Preventative Maintenance Program</b>							
Averages	10	9.15	7.60	8.95	4.05	8.80	
<b>Factor G - Contingency Plan</b>							
Averages	5	4.35	4.28	3.85	1.58	4.13	
<b>Factor H – Transition Plan</b>							
Averages	5	4.60	3.53	4.45	2.43	3.40	
<b>Factor I – Training Plan</b>							
Averages	10	8.55	7.75	8.15	5.05	6.30	
<b>Factor J - Quality Assurance and Quality Control (QA/QC) Plan</b>							
Averages	10	8.75	8.05	8.70	4.50	7.50	
<b>Factor K – Safety Plan</b>							
Averages	5	4.43	4.30	4.53	2.90	4.20	
<b>TOTAL SCORE</b>	<b>100</b>	<b>90.54</b>	<b>78.95</b>	<b>75.97</b>	<b>39.96</b>	<b>66.34</b>	
<b>Rank</b>		<b>1</b>	<b>2</b>	<b>3</b>	<b>5</b>	<b>4</b>	



2024-0450R El Paso Airport Passenger Boarding Bridge and Check Baggage Inspection System Maintenance  
View List

	Supplier Name	City	State
1	Ace Government Services LLC	El Paso	TX
2	Alkane Midstream	Mendota	MN
3	Construction Reporter	Albuquerque	NM
4	Daifuku Services America Corporation	Carrollton	TX
5	Economy Sales & Service (Michael L Rhim)	Gasport	NY
6	ERMC Aviation Services	GRAND PRAIRIE	TX
7	ITech Devices Inc	Fremont	CA
8	JSM and Associates, LLC	Apopka	FL
9	Mirador Enterprises, Inc. (Mirador Enterprises)	EL PASO	TX
10	Network Resources (EP Network Resources LLC)	El Paso, TX	TX
11	PMI Pavement Marking, LLC (Pavement Marking, LLC)	EL PASO	TX
12	Pteris Global (USA), Inc.	Charlotte	NC
13	Pwxpress	Jacksonville	FL
14	QANNEX CORP	EL PASO	TX
15	Symbrant Aviation Services, Inc.	Farmingdale	NY
16	The PlanIt Room	El Paso	TX
17	WOFFORD TRUCK PARTS (TE EL PASO,LLC)	EL PASO	TX
18	Zeraus Iluminacion	El Paso	TX

**RESOLUTION**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:**

**THAT** the City Manager, or designee, is authorized to sign a Passenger Boarding Bridge and Check Baggage Inspection System Maintenance Agreement by and between the City of El Paso (“City”) and Daifuku Services America Corporation, a Florida Corporation (“Company”), for Company to provide operations and maintenance services for the El Paso International Airport baggage claim system and passenger boarding bridges, for a term of five (5) years from the Effective Date and one (1) additional two-year option to extend and three (3) additional one-year options to extend the term of the Agreement by the City Manager or Designee, to be compensated as follows:

Initial Term:

Years 1 – 5 Estimated Amount	\$7,007,165.24
Years 1 – 5 Reimbursable Amount	\$2,100,000.00

Option Term 1:

Years 6 - 7 Estimated Amount	\$2,551,596.63
Years 6 - 7 Reimbursable Amount	\$300,000.00

Option Term 2:

Year 8 Estimated	\$1,363,916.35
Year 8 Reimbursable Amount	\$150,000.00

Option Term 3:

Year 9 Estimated Amount	\$1,433,236.03
Year 9 Reimbursable Amount	\$150,000.00

Option Term 4:

Year 10 Estimated	\$1,506,711.60
Year 10 Reimbursable Amount	\$150,000.00

Total Award Amount	\$13,862,625.85
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**THAT**, additionally the City Manager or Designee is authorized to approve additional hours of service necessary to adjust to increased airlines services provided to be compensated at the hourly rates in the Agreement.

**PASSED AND APPROVED** this \_\_\_\_\_ day of \_\_\_\_\_, 2025

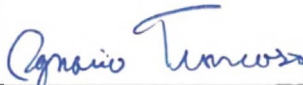
**CITY OF EL PASO:**

\_\_\_\_\_  
Renard U. Johnson  
Mayor

**ATTEST:**

\_\_\_\_\_  
Laura D. Prine  
City Clerk

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Ignacio R. Troncoso  
Assistant City Attorney

**APPROVED AS TO CONTENT:**

  
\_\_\_\_\_  
Claudia A. Garcia  
Director of Purchasing & Strategic Sourcing

  
\_\_\_\_\_  
Juan Antonio Nevarez, CM, ACE, IACE  
Director of Aviation

**PASSENGER BOARDING BRIDGE AND CHECK BAGGAGE  
INSPECTION SYSTEM OPERATION AND MAINTENANCE  
AGREEMENT**

**EL PASO INTERNATIONAL AIRPORT**

**CITY OF EL PASO**

**BY AND BETWEEN**

**THE CITY OF EL PASO  
(City)**

**and**

Daifuku Services America Corporation  

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**(Daifuku Services America Corporation)**

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**(Effective Date)**

**PASSENGER BOARDING BRIDGE AND CHECK BAGGAGE INSPECTION SYSTEM  
OPERATION AND MAINTENANCE AGREEMENT**

**THIS PASSENGER BOARDING BRIDGE AND CHECK BAGGAGE INSPECTION SYSTEM OPERATION AND MAINTENANCE AGREEMENT** (the “Agreement”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2025 by and between the **City of El Paso, Texas**, a Texas home rule municipal corporation (the “City”) and **Daifuku Services America Corporation**, a Florida corporation (the “Company” or “Contractor”).

**RECITALS**

**WHEREAS**, the City controls, operates and maintains an airport in the City and County of El Paso, State of Texas, known as the El Paso International Airport (the “Airport”) which is under the management of the Director of Aviation (the “Director”); and

**WHEREAS**, the City’s Airport has an inbound and outbound Baggage Handling System (“BHS”) and Passenger Boarding Bridges (“PBB”); and

**WHEREAS**, the City issued Request for Proposal No. 2024-0450R “Passenger Boarding Bridge and Checked Baggage Inspection System to seek the services of an entity that will operate, maintain and repair the BHS and PBB; and

**WHEREAS**, the City desires to engage the services of Daifuku Services America Corporation to operate, maintain and repair the BHS and PBB located at the Airport based on the Proposal submitted to the City; and

**WHEREAS**, the Company is fully qualified to provide the management, manpower, and services required for the operation and maintenance of the referenced BHS and PBB.

**NOW, THEREFORE**, in consideration of the mutual promises set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

**AGREEMENT**

**SECTION I. TERM.** The effective date of this Agreement is March 3, 2024 and shall remain in effect for five (5) years. The term of this Agreement may be extended for one (1) additional two-year period and three (3) additional one-year terms under the same terms and conditions.

**SECTION II. OTHER DOCUMENTS; CONFLICT.** The following documents comprise this Agreement:

- A. City’s Solicitation of Offers No. 2024-0450R (“*Solicitation*”).
- B. Daifuku Services America Corporation Proposal (“*Proposal*”).

C. This Supplemental Agreement.

The Solicitation, and the Proposal are incorporated herein and made part of this Agreement in case of conflict in the language of the Solicitation and the Proposal, the terms and conditions of the Agreement shall control.

### **SECTION III. SCOPE OF SERVICES.**

#### **Baggage Handling Systems**

Upon the Effective Date the Company agrees to provide operation, maintenance and repair services for the inbound and outbound Baggage Handling Systems ("BHS" or "Systems") at City's El Paso International Airport ("Airport") as depicted in Exhibit "A along with the Transition Period activities. Company shall become familiar with the BHS, its security screening matrices and the conveyor subsystems in order to provide operation, maintenance, warranty support and repair services in accordance with this Agreement and all applicable laws and safety standards.

The BHS consists of the following:

- Five (5) ticket counter subsystems;
- One (1) curbside subsystems;
- One (1) transport mainlines that collects all the bags from the ticketing level;
- All conveyor subsystems designed as part of the new security matrix which is comprised of one (1) Out of Gauge subsystem;
- Three (3) security shunts subsystem which feed three (3) L3 6700 ES ISDs;
- Three (3) on-screen resolution subsystems for Level 2 screening;
- Two (2) alarm subsystems to route alarmed bags into Checked Baggage Resolution Area (CBRA) for manual screening with one line conveying out of gauge bags and the other line conveying in-gauge bags;
- Five (5) clear bag subsystems to route bags from Checked Baggage Inspection System (CBIS) to the sortation area;
- One (1) Re-insert subsystem to re-induct bags into the CBIS;
- One (1) sortation line;
- Four (4) new baggage flat plate make-up units;
- Four (4) feeds to MU devices;
- One (1) outbound over size line;
- Two (2) new passenger flat plate claim devices located in the Federal Inspection Services area for international arrival flights; and
- Four (4) new flat plate claim devices for domestic arrival flights, as well as ATRs, security/fire doors, security/fire door dog houses, and structures that enclose the conveyors, exclusive of the Explosive Security System devices found in the matrix (TSA equipment).

The services shall include labor, transportation, supplies, materials, parts, tools, scaffolding, machinery, hoists, employee safety equipment, equipment, lubricants, supervision, applicable taxes, and all other work and materials expressly required under this Agreement or reasonably inferred whether or not expressly stated herein in accordance with the best commercial practices,

consistent with the intended design and usage of the BHS and all manuals created and accepted by the City as the BHS Operation & Maintenance (O&M) manuals.

Company shall staff and operate the BHS Control Room and coordinate all computer systems hardware and software maintenance with the City, Original Equipment Manufacturers (OEM) and/or designated third-party City maintenance contractors. All services are referenced as “Services” in this Agreement.

### **Passenger Boarding Bridges**

Upon the Effective Date, the Company agrees to provide operation, maintenance, and repair services for the Passenger Boarding Bridges ("PBBs") and associated equipment at the City's El Paso International Airport ("Airport") as outlined in Exhibit "A." The Company shall become familiar with all PBB equipment, their operational systems, and subsystems in order to provide services in accordance with this Agreement and all applicable laws, regulations, and safety standards.

PBB includes:

- fifteen (15) ThyssenKrupp Airport Systems Two & Three-Tunnel Apron Drive Passenger Boarding Bridges (PBB)
- fifteen (15) Cavotec PDX-30 Preconditioned Air Units
- fifteen (15) Cavotec 90kVA Combi 400Hz Ground Power Units
- fifteen (15) Selmer Industries Potable Water Cabinets
- fifteen (15) AustralStar Platform Luggage Lifts (to be replaced)
- three (3) Cummings generators (Models GTA50 (1) and C1000 N6 (2))

## **SECTION IV. TRANSITION PERIOD AND CITY EQUIPMENT INSPECTION.**

### **A. City Equipment Inspection.**

The City will inspect the condition of all equipment covered by this Agreement to audit the level of maintenance and service work performed beginning on or about thirty (30) business days prior to the expiration of the term of this Agreement or upon the termination of this Agreement. All deficiencies found by City shall be corrected by Company by a deadline established by the City. If deficiencies are not completed by Company by the established deadline, the City has the discretion to complete the necessary repairs and the cost to perform the repairs shall be withheld from Company's last payment.

## **SECTION V. PERFORMANCE REQUIREMENTS.**

### **A. Hours and Manner of Work**

Company shall coordinate with the City and airlines at the Airport to provide Services described in this Agreement. Services under this Agreement shall be performed during hours of airline operations, which are established as the following: 3 a.m. to 10:30 p.m., seven (7) days a week. The Company understands that the hours of airline operation may change and Company shall adjust hours of operations in accordance with the hours communicated to Company by the City.

An on-site response time of one hour is required outside of normal operating hours. Response Time to equipment issues shall not exceed ten (10) minutes and response time to bag jams is expected to be two (2) minutes and shall not exceed five (5) minutes for any individual jam. Response time for PBB issues shall not exceed ten (10) minutes, with overall resolution time to be based on need and level of incident.

Company shall provide staff as necessary to fulfill the requirements of this Agreement, on-site during these normal works hours. Preventive maintenance (PM) and non-scheduled maintenance tasks shall be coordinated with and scheduled around the daily requirements of the airlines' operations. Any major outages or repairs must be coordinated in advance with the City.

## **B. Company Provided Resources**

1. Company shall furnish at its cost all necessary resources including labor, supervision, tools, materials, office equipment, furniture and supplies to fulfill all requirements of this Agreement and to satisfactorily perform all Services in a safe, orderly, timely, efficient, and workmanlike manner. Company shall provide any additional resources necessary to fulfill the requirements at no additional cost to the City.
2. Company shall provide and maintain all safety equipment/devices, personal protective equipment, and clothing as required for its personnel.
3. Company shall provide and maintain two-way messaging devices to all Company personnel. Device numbers and e-mail addresses for all devices shall be provided to the City.
4. Company shall provide cellular telephones with a radio feature, on a business network and full cellular/radio service, and/or 800 MHz radios for all key and on-site personnel. City shall provide to the Company a telephone unit for on-campus in the baggage control room. The Company shall provide their own phone and internet service in their own office. Company may elect to utilize the City's Shared Tenant Services Voice over IT (VoIP) for local and long-distance phone service.
5. Company shall provide and use a digital camera and video recorder with date and time stamp capabilities to fulfill the requirements of this Agreement.
6. Company shall provide and maintain, at a minimum, one (1) properly licensed service vehicles at the City Airport at all times. The service vehicles are required to transport materials and supplies, Company Staff, and tools to various locations. Company shall further provide and maintain all necessary support vehicles (i.e. scissor lifts, fork lifts, golf carts) necessary to effectively and efficiently operate, manage and support the Services of this Agreement. All Company provided vehicles must be functional and in good condition. The City will not provide or reimburse Company for any expenses, including fuel, for these vehicles. The City reserves the right to reject a Company supplied vehicle that does not satisfy the City's quality standards.

7. Company shall provide equipment for the proper transportation, receiving, unloading, and disbursement of its equipment.

### **C. Company's Execution of Services**

1. Company will regularly and systematically examine, clean, lubricate, adjust, and as conditions warrant, repair or replace all BHS and PBB equipment covered under this Agreement.
2. Company will maintain effective communication and coordination with the City and airlines through timely and effective use of e-mail, telephones, faxes and pagers to ensure the City and airlines are aware of current equipment status, planned outages, injuries, vandalism.
3. Company shall follow all Transportation Security Administration (TSA) guidelines and shall ensure that alarmed luggage bags or suspect bags are not placed onto the clear baggage line.
4. Company shall obtain and pay the costs of any royalties and licenses for any patented or copyrighted items used in the performance of the work, and shall keep such current at all times.
5. Company shall attend meetings as required by the City.
6. Company shall be responsible for providing custodial cleaning services at its costs for office spaces, BHS Office, OSR Room and CBRA. Company shall ensure that all work spaces are clean, in an orderly state and free of refuse from all work sites,
7. Company shall maintain all System areas in a clean and safe condition, including removing all office waste, cleaning under and around conveyors, around and inside carousels, and removal of any refuse generated in the maintenance of the Systems. All such refuse shall be transported by Company to the trash compactors provided by the City located in each facility.
8. All areas surrounding the System, including under the conveyor sections and surrounding areas, shall be cleaned of debris by Company at least once on the morning shift and once on the afternoon shift for a minimum of two (2) times per day.
9. Company shall clean and maintain the BHS rights-of-way and lighting for the System including, but not limited to, wiping down conveyor belt side guards, cabinets, and other exposed and accessible components, ensuring to the degree practical they are free of dust, grime.
10. It shall be the responsibility of Company to promptly notify the City if an official in charge of compliance with the Occupational Safety and Health Act (OSHA) or any other regulatory City visits the work site.

11. Company shall provide the City with complete, legible copies of all regulatory notices, violations and citations received by Company that pertain directly or indirectly to the fulfillment of this Agreement.

#### **D. Operation and Maintenance**

Company will comply with the following requirements further described in Exhibit “C”:

- Security Requirements
- Safety Requirements
- Equipment Performance Requirements
- Equipment Usage Criteria
- Parts and Materials
- Reporting Requirements

All maintenance services, which include repairs, shall be completed to the satisfaction of the City. Parts or equipment required, including renewal parts stocked on-site, may not be removed from the property without written approval of City. Renewal parts stocked on-site by Company, shall remain City’s property. Company is responsible for replenishing parts and materials as utilized.

##### **1. Computer Maintenance Management System**

Company shall implement the Computer Maintenance Management System (“CMMS”) offered by Company in the Proposal and approved by the City. The system shall be a standard non-proprietary system. The City shall reimburse Company all costs incurred to install and maintain the CMMS. The CMMS shall be used to schedule and generate work orders for all maintenance and repair activity performed for each piece of equipment covered under this Agreement. Data from the CMMS should be exportable to MS Excel or other City approved format. The City will retain an administrative role over the CMMS, requiring read-only and report access to the CMMS during the Agreement. The City will retain ownership of all data contained within it, and any necessary hardware for the purpose of running the CMMS, upon termination of this Agreement.

Company shall generate work orders for all service calls, bag jam clearing, vandalism, corrective maintenance repairs and scheduled preventative maintenance as applicable to each component of the BHS. Upon completion of work, Company may be responsible for closing out the work order by inputting all relevant data in the CMMS that relates to work performed by Company. This data shall include the equipment number, name of mechanic(s), date of service, duration of work performance, specific repairs accomplished; quantity of parts used and associated part numbers, labor, date completed and any comments necessary to explain corrective action or work performed. Company shall supply reports from the CMMS as requested by the City.



The Company shall maintain software licenses, upgrades, and patches for the CMMS for the duration of the Agreement. At the City's discretion, the City may implement a City Maintenance Management System to be used by Company.

## **2. Preventative Maintenance**

- a. Contractor shall comply with the PM Program proposed in its response to the RFP, as may be amended and subject to City review and approval, and attached hereto as Exhibit C.
- b. The program must ensure the BHS achieve a minimum System Availability of 99%. The Systems, both inbound and outbound, and PBBs shall be thoroughly inspected at regular intervals and corrective measures shall be taken to prevent equipment breakdowns. The PM tasks and frequencies shown in the BHS/PBB O&M manuals shall be used, as minimum requirements, for the PM Program.
- c. Contractor's PM Program shall, at a minimum, consist of the following three (3) parts:
  - 1) Task and Frequencies - Contractor shall execute, at a minimum, the preventive maintenance tasks, at their associated frequencies, as defined in the BHS/PBB and Generator O&M manuals. Should Contractor have recommended changes or additions to the information contained in the O&M manuals, Contractor shall notify the City, in writing, and provide justification for the proposed changes.
  - 2) Schedule - Contractor shall use a schedule format as approved by the City, and follow the CMMS-generated PM Schedule. Data from this software should be exportable to MS Excel or another City - approved format. Should Contractor have recommended changes or additions to the PM Schedule, Contractor shall notify the City, in writing, and provide justification for the proposed changes.
  - 3) PM Reporting - The City will use the CMMS's reporting features to monitor status of PM tasks

## **3. Corrective Maintenance Services- Repair Services**

- a. Response to all equipment failures will be the responsibility of Contractor. Contractor shall remove from service immediately any piece of equipment that is not operating correctly, or presents a safety hazard to users, and shall notify the City and available Airline personnel immediately.
- b. When failures are found, Contractor shall immediately proceed to repair and/or correct the deficiencies. If a piece of equipment must be removed from service for any reason other than a code/safety deficiency, Contractor shall coordinate the removal of the equipment from operation with the City and airlines operating within the area, in advance and in writing.
- c. In the event of equipment failure, Contractor shall immediately follow

lockout/tagout procedures and inform the City's designated representative and available Airline personnel. Contractor shall have proper two-man operational tactic procedures in place when lockout/tagout procedures cannot be utilized, such as the operational use of tracking belts in confined spaces.

- d. Contractor shall set safety barriers in place and provide safety notification signage around the impacted work area. Signage shall be of size and type as approved by the City.

#### **4. Corrective Action**

- a. For any calendar month during the Contract that the BHS does not achieve or will not achieve a minimum of 99% System Availability and/or a PBB(s) was out of service, Contractor, at its expense, will promptly initiate a review of maintenance procedures, and shall propose a plan to the City within two (2) weeks to correct the problems. Corrections of maintenance procedures shall be at no expense to the City.
- b. Correction of design deficiencies, once agreed to by the City, shall either be made by the City at its expense or made by Contractor after first receiving written authorization from the City covering the costs to Contractor to make the correction. Corrective Actions shall be documented in a failure analysis report to be issued by Contractor to the City as needed in a format to be approved by the City.
- c. Any modifications to the BHS, outside routine and periodic maintenance repairs, that require approval by the TSA must be coordinated and approved in advance in writing by both the TSA and the City.
- d. Any modifications to the PBBs and/or backup generators, outside routine and periodic maintenance repairs, must be coordinated and approved in advance in writing by the City.

#### **5. Baggage System, PBB/Generator Resets**

- a. Contractor shall immediately respond to all equipment failures requiring a reset.
- b. Incidents requiring a reset will be documented on the appropriate work order or trouble call log, including the date, time, problem, cause, Corrective Action taken and completion time.

#### **6. Inspection of Equipment**

- A. Contractor shall, no less than sixty (60) days prior to commencement of Services, perform an inspection to assess the baseline condition of all equipment covered under this Contract. The inspection shall include observations of deficiencies in equipment condition, operation and/or performance, and serve as a "starting point" for Contractor to provide ongoing maintenance.

- B. Contractor shall provide all necessary labor, equipment, materials and technical expertise required to inspect each System, Subsystem, PBB and associated generator. Contractor shall thoroughly exercise all Systems and PBBs and demonstrate each feature and function.
- C. The City reserves the right to review the results of the inspection for concurrence.
- D. Beginning on or about thirty (30) business days prior to the Contract expiration or termination, the City and/or its technical representative will thoroughly inspect the condition of all equipment covered by this Contract to audit the level of maintenance and service work performed.
- E. All deficiencies found shall be corrected by Contractor prior to the Contract termination or expiration date. If deficiencies have not been corrected by Contractor by that date, the City will have the repairs performed by another vendor and the cost to perform the repairs shall be withheld from Contractor's last payment.

**SECTION VI. COMPENSATION AND REIMBURSABLES**

- A. The Company shall be paid in accordance with the cost proposal terms set forth in **Proposal** which is attached hereto and incorporated herein by reference. The compensation for the services to be as follows:

El Paso Airport Passenger Boarding Bridge and Check Baggage Inspection System Maintenance

Item	YEAR 1 THROUGH YEAR 5 RATES – TOTAL SUMMARY	Year 1	Year 2	Year 3	Year 4	Year 5	Year 1 - Year 5 Total
I-a.	Total Basic Services (Outbound)	\$ 453,337.51	\$ 471,130.92	\$ 489,793.60	\$ 509,378.45	\$ 529,942.14	\$ 2,453,582.62
I-b.	Total Basic Services (Inbound)	\$ 40,800.38	\$ 42,401.78	\$ 44,081.42	\$ 45,844.06	\$ 47,694.79	\$ 220,822.43
II-a	Total Other Work/Services (Jam Runners)	\$ 136,001.25	\$ 141,339.28	\$ 146,938.08	\$ 152,813.54	\$ 158,982.64	\$ 736,074.79
II-b.	Total Other Work/Services (TSA & AirlineCoordinator)	\$ 18,133.50	\$ 18,845.24	\$ 19,591.74	\$ 20,375.14	\$ 21,197.69	\$ 98,143.31
IV-a	PBB and supporting generators maintenance	\$ 258,402.38	\$ 268,544.62	\$ 279,182.35	\$ 290,345.72	\$ 302,067.02	\$ 1,398,542.09
V-a	Replacement of luggage lifts	\$ 1,200,000.00	\$ -	\$ -	\$ -	\$ -	\$ 1,200,000.00
VI-a	Estimated corrective parts and materials	\$ 300,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 900,000.00
	Total Cost	\$ 2,406,675.02	\$ 1,092,261.84	\$ 1,129,587.19	\$ 1,168,756.91	\$ 1,209,884.28	\$ 7,007,165.24

Item	YEAR 6 THROUGH YEAR 7 RATES – TOTAL SUMMARY	Year 6	Year 7	Year 6 - Year 7 Total
I-a.	Total Basic Services (Outbound)	\$ 551,545.32	\$ 574,252.99	\$ 1,125,798.31
I-b.	Total Basic Services (Inbound)	\$ 49,639.08	\$ 51,682.77	\$ 101,321.85
II-a	Total Other Work/Services (Jam Runners)	\$ 165,463.60	\$ 172,275.90	\$ 337,739.50
II-b.	Total Other Work/Services (TSA & AirlineCoordinator)	\$ 22,061.81	\$ 22,970.12	\$ 45,031.93
IV-a	PBB and supporting generators maintenance	\$ 314,380.83	\$ 327,324.21	\$ 641,705.04
V-a	Replacement of luggage lifts	\$ -	\$ -	\$ -
VI-a	Estimated corrective parts and materials	\$ 150,000.00	\$ 150,000.00	\$ 300,000.00
	Total Cost	\$ 1,253,090.64	\$ 1,298,505.99	\$ 2,551,596.63

Item	YEAR 8 RATES – TOTAL SUMMARY	Year 8	Year 8 Total
I-a.	Total Basic Services (Outbound)	\$ 606,958.17	\$ 606,958.17
I-b.	Total Basic Services (Inbound)	\$ 54,626.24	\$ 54,626.24
II-a	Total Other Work/Services (Jam Runners)	\$ 182,087.45	\$ 182,087.45
II-b.	Total Other Work/Services (TSA & AirlineCoordinator)	\$ 24,278.33	\$ 24,278.33
IV-a	PBB and supporting generators maintenance	\$ 345,966.16	\$ 345,966.16
V-a	Replacement of luggage lifts	\$ -	\$ -
VI-a	Estimated corrective parts and materials	\$ 150,000.00	\$ 150,000.00
	Total Cost	\$ 1,363,916.35	\$ 1,363,916.35

Item	YEAR 9 RATES – TOTAL SUMMARY	Year 9	Year 9 Total
I-a.	Total Basic Services (Outbound)	\$ 641,618.02	\$ 641,618.02
I-b.	Total Basic Services (Inbound)	\$ 57,745.62	\$ 57,745.62
II-a	Total Other Work/Services (Jam Runners)	\$ 192,485.40	\$ 192,485.40
II-b.	Total Other Work/Services (TSA & AirlineCoordinator)	\$ 25,664.72	\$ 25,664.72
IV-a	PBB and supporting generators maintenance	\$ 365,722.27	\$ 365,722.27
V-a	Replacement of luggage lifts	\$ -	\$ -
VI-a	Estimated corrective parts and materials	\$ 150,000.00	\$ 150,000.00
	Total Cost	\$ 1,433,236.03	\$ 1,433,236.03

Item	YEAR 10 RATES – TOTAL SUMMARY	Year 10	Year 10 Total
I-a.	Total Basic Services (Outbound)	\$ 678,355.80	\$ 678,355.80
I-b.	Total Basic Services (Inbound)	\$ 61,052.02	\$ 61,052.02
II-a	Total Other Work/Services (Jam Runners)	\$ 203,506.74	\$ 203,506.74
II-b.	Total Other Work/Services (TSA & AirlineCoordinator)	\$ 27,134.23	\$ 27,134.23
IV-a	PBB and supporting generators maintenance	\$ 386,662.81	\$ 386,662.81
V-a	Replacement of luggage lifts	\$ -	\$ -
VI-a	Estimated corrective parts and materials	\$ 150,000.00	\$ 150,000.00
	Total Cost	\$ 1,506,711.60	\$ 1,506,711.60

10 Year Total	\$ 13,862,625.85
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The Company hereby agrees that at no time will the Company make a claim against the City for more than the rates provided under the terms of this Agreement. Payments will be made to the Company within thirty (30) days following acceptance by the City of the Company services pursuant to the Chapter 2251 of the Texas Government Code. The City shall receive a properly prepared monthly invoice by the Company.

- (1) The City shall pay Company for the reimbursable costs as described in this Section that are properly itemized and supported by Company. Company shall submit reports itemizing monthly reimbursable costs to the City. Reimbursable Costs: A cost incurred by Company is reimbursable under this Agreement if it is: (a) actually incurred by Company; (b) necessary for the performance of baggage handling systems; (c) necessary for the performance of Company’s duties (d) reasonable under the circumstances; (e) not expressly excluded from reimbursement as described in this Agreement; A cost is conclusively presumed to be reasonable if: (i) it is similar or lower when compared to other alternatives that could have been chosen for the same use; or (ii) bids or published price lists were used to determine the most cost effective solution and the most cost effective solution was chosen. Company will shall replenish all parts drawn from the stock, shall be reimbursed by The City at cost. There shall be no mark-up for parts and associated cost for shipping and handling that have prior written consent of the City. There shall be no mark-up for shipping and handling.

The City reserves at all times the right to refuse to pay a reimbursable cost if considered excessive, in its reasonable discretion, this includes any wages, and to audit the actual costs paid pursuant to the Operating Budgets for compliance with the terms of this Agreement. Company agrees that any costs paid by the City which are determined by the City by audit or otherwise to have been paid in violation of the terms of this Agreement shall be subject to offset against future reimbursements by the City, or Company reimbursing the City for said payments, at the sole discretion of the City.

Example list of items eligible for reimbursement:

- Computer Systems and related equipment

- Internet Access to the Baggage Handling System
- Parts
- Airport Security Badge, provided proper badge protocol is followed
- Tools or equipment that will remain at the airport for the airports use after the life of this contract

(2) Non-Reimbursable Costs the following costs are not reimbursable under this Agreement:

- (a) off-site operations or off-site personnel, including but not limited to wages and benefits of personnel; (b) travel, lodging, and meal expenses, except those arising from travel approved in advance by the City; (c) legal representation; (d) union negotiations; (e) premiums for any bonds or insurance, (f) insurance deductibles; (g) uninsured losses; (h) employee relocation costs; (i) charitable and political contributions; (j) employee social functions, other than as agreed to by the City; (k) penalties and fines from any agency with jurisdiction paid or owed by Operator or Operator's employees, agents, subcontractors, or invitees, including but not limited to any amounts due because of lost El Paso International Airport ("EPIA") security badges; (l) damages owed to the City (m) late payment charges owed to the City; (n) repair of damage to City property caused by Company's employees, agents, or subcontractors; (o) interest on money borrowed or other financing costs, except if approved by the City; (p) depreciation; (q) sales tax; (r) profit on the sale of any equipment or goods; (s) overhead; (t) general and administrative costs; (u) costs of Companywide or multi-location insurance or self-insurance programs for reimbursable coverages, including administrative costs, loss adjustment expenses, unless approved in advance by the City; (v) any cost expressly excluded from reimbursement by the terms of this Agreement.; and (w) any service vehicle expenses, including fuel.

Example list of items NOT eligible for reimbursement:

- Uniforms
- Personal Protection Equipment (PPE)
- Cell phones with radio
- Digital Camera and/or video recorder
- Service vehicle and expenses associated with the vehicle including fuel
- Tools
- Office equipment, furniture, and supplies
- Equipment for the proper transportation, receiving, unloading, and disbursement of Company equipment, including protection of the same

**SECTION VII. INDEPENDENT COMPANY.** The Company shall operate the BHS, manage its personnel, and perform all other services required herein as an independent Company. The parties expressly understand, acknowledge, and agree that in the performance of the obligations required under this Agreement, the Company is at all times acting and performing as an independent

Company, and the City shall neither have nor exercised any control or direction over the manner and means by which the Company performs its obligations under this Agreement, except as otherwise stated herein. The Company expressly understands, acknowledges, and agrees that it and its employees, agents, servants or other personnel are not employees of the City. The Company shall be solely responsible for payment of salaries, wages, payroll taxes, unemployment benefits or any other form of compensation or benefit to the Company or any of its employees, agents, servants or other personnel performing services or work under this Agreement, whether it be of a direct or indirect nature. Further in that regard, it is expressly understood, acknowledged, and agreed that for such purposes neither the Company nor its employees, agents, servants or other personnel shall be entitled to any of the City's payroll, insurance, unemployment, worker's compensation, retirement or any other benefits whatsoever.

## **SECTION VIII. COMPANY PERSONNEL.**

- A. This Agreement is not one of City, partnership, master-servant, or joint employer, but one with Contractor engaged in the business of providing Services hereunder as an independent Contractor. Contractor shall have sole responsibility for means, methods, techniques, procedures, and safety precautions in connection with performance of Services.
  
- B. Contractor shall be responsible for the supervision and execution of Services by its employees. An onsite condition review shall be conducted by a designated Supervisor of Contractor on an annual basis to ensure all Services hereunder are properly performed. Contractor shall inform City of the name of its Supervisor responsible for execution of Services and Supervisor shall have the authority to act as Contractor's agent. Supervisor shall notify City of site inspection and provide City with written summary of findings within ten (10) working days after completion of site review.
  
- C. Contractor shall submit documentation defining its planned operations staffing and preventive maintenance procedures to facilitate Agreement intent and "Services" for all equipment included under this Agreement. Routine maintenance procedures shall include identifiable weekly, monthly, quarterly, and annual maintenance procedures, including statutory and other required equipment tests. Contractor shall supply identifying uniforms for staff that should be worn only during work hours and shall require the same of any subcontractors. When accepted by City, Contractor's staffing plan shall become Exhibit D to this Agreement.

### **A. Supervisor**

The Company shall identify the Supervisor to the City who is responsible for the performance of the services and who is authorized to act at the Company's agent. Supervisor shall conduct onsite conditions review on an annual basis to ensure that all services are being performed in accordance with the Agreement. Supervisor shall notify City of the annual site inspection and provide City with written summary of findings within ten (10) working days after completion of site review.

## **B. Site Manager**

- a. Contractor shall designate a qualified and experienced full-time on-site Site Manager. The Site Manager shall have a strong safety record with a strong knowledge of aviation, baggage handling and conveyor safety, passenger boarding bridge and generator handling and safety, with excellent working knowledge of the processes within airport facilities. The Site Manager shall have full authority to act for Contractor and serve at all times to carry out all the provisions of the Contract. The Site Manager shall be in charge of and have overall responsibility for the work to be carried out under this Contract and, as such, shall devote his/her time exclusively to this task.
- b. The Site Manager shall possess skills relating to the operation and maintenance of the Systems, related Subsystems (i.e., Variable Frequency Drives, PLC's, ATRs, software programming, etc.), PBBs and generators. The Site Manager's work hours shall be, at a minimum, 8:00 a.m. to 5:00 p.m. Monday through Friday, unless otherwise approved, in writing, in advance, by the City.
- c. The Site Manager shall be available at all times to attend monthly and other regularly scheduled and/or on-demand meetings, tours and inspections requested by the City and/or airlines to discuss the BHS, PBBs and generators.
- d. The Site Manager, or designated alternate, shall be available for calls and/or emergency response on site twenty-four (24) hours a day, seven (7) days a week.
- e. The Site Manager must pass all security badging requirements as identified in D.1. 1.5.

## **C. Work Force**

- a. Contractor shall hire as many qualified and competent personnel as necessary to fulfill the requirements of the Contract.
- b. Contractor shall provide skilled, cross-trained personnel with mechanical and electrical aptitude, and strong skills and experience with industrial control devices, to manage and control the daily maintenance and operational aspects of the BHS, PBBs and associated generators. Responsibilities include, but are not limited to, maintenance and repair of all electrical, mechanical, and control devices, equipment, and components associated with the BHS, PBBs and backup generators. Technicians will also be responsible for clearing lift jams, baggage jams, bridge overextensions/limits reach and fault responses.
- c. Contractor shall further provide qualified personnel to operate the BHS Control Room, and the Systems, including all inbound and outbound BHS and Subsystems exclusive of EDS devices. This includes, but is not limited to:

1. Normal System startup each day
2. Normal System shutdown each day
3. Cleaning bag jams and other faults
4. Coordinating with the TSA for clearing jams in the EDS
5. Monitoring BHS activity in the BHS Control Room
6. Responding to airline, TSA and City requests for baggage service support
7. Responding to conveyor security door issues
8. Being the liaison between TSA and the airlines (e.g. airline request that the oversized baggage to be transported to the oversized baggage door).

#### **D. Conduct**

- a. Contractor personnel shall, at all times while on the job site, whether on or off duty, conduct themselves in a professional, orderly and safe manner. Rudeness, fighting, being under the influence of alcohol and/or illegal drugs, possessing and/or consuming alcohol and/or illegal drugs, gambling, soliciting, stealing, taking pictures or bringing cameras or other photographic devices anywhere on Airport property (unless fulfilling the requirements of this Contract), and any immoral or otherwise undesirable conduct shall not be permitted on the job site and shall result in immediate and permanent removal from the job site of any personnel engaging in such conduct.
- b. Contractor agrees to transfer promptly from the Airport any personnel that the City advises is not satisfactory and to replace such personnel with an employee satisfactory to the City; but in no event shall the City be responsible for monitoring or assessing the suitability of any employee or agent of Contractor. If such remedy is required, Contractor shall immediately remove the employee from the site. It is the Contractor's responsibility to ensure all City owned materials in the employee's possession is promptly returned.

#### **E. Security Inquiries**

- a. Contractor acknowledges that all of the employees that it provides pursuant to this Contract shall, at the request of the City, be subject to background and security checks and screening ("Security Inquiries"). Contractor shall perform all such security inquiries and shall make the results available to the City for all employees considered for performing work (including supervision and oversight) under this Contract. The City may make further security inquiries. Whether or not further security inquiries are made by the City, the City may, at its sole, absolute and unfettered discretion, accept or reject any or all of the employees proposed by Contractor for performing work under this Contract. Employees rejected by the City for performing Services under this Contract may still be engaged by Contractor for other work not involving the El Paso International Airport.



- b. In addition to the foregoing, the City reserves the right but not the obligation to: (1) have an employee/prospective employee of Contractor be required to provide fingerprints and execute such other documentation as may be necessary to obtain criminal justice information, (2) act on newly acquired information whether or not such information should have been previously discovered; (3) unilaterally change its standards and criteria relative to the acceptability of Contractor's employees and/or prospective employees; and (4) object, at any time and for any reason, to an employee of Contractor performing work (including supervision and oversight) under this Contract.
- c. Contractor shall include the terms of this provision for employee background and security checks and screening in all contracts and subcontracts for work performed under this Contract, including supervision and oversight.
- d. The Security Inquiry provisions of this Contract, as set forth above, are material to the City's entry into this Contract and any breach thereof by Contractor may, at the City's sole, absolute and unfettered discretion, be considered a breach of contract of sufficient magnitude to terminate this Contract. Such termination shall subject Contractor to liability for its breach of contract.
  - 1. Security Identification Display Area (SIDA): A SIDA badge will be required for all contractor personnel accessing the site. Background checks will be required to obtain security clearance. Contractor shall complete all required applications and provide the forms of identification as required. The City reserves the right to remove individuals from the job site. Contractor shall bear all costs incurred to process security clearance.
    - a. Because of the various security requirements of the TSA and the City, Contractor shall be required to comply with the Airport security badging requirements for all applicable employees and vehicles. These requirements may also apply to any and all subcontractors. All fees associated with security badging will be assessed in compliance with Airport requirements and are the responsibility of the Contractor.
    - b. Refer to Appendix B Part 1 Section 1.9. for additional requirements related to badging AOA access and driving privileges.
    - c. Contractor agrees each of its employees is properly qualified and will use reasonable care in the performance of Services. If City, in City's sole opinion,

determines for any reason that the qualifications, actions, or conduct of any particular Contractor employee has violated this Agreement by performing unsatisfactory Services, interfering with airport operations, annoying any occupants, other Contractors or subcontractors on City's property, or that such actions or conduct are otherwise detrimental to City, then upon receipt of City's written notice, Contractor shall immediately provide qualified replacement persons.

- d. Contractor shall not engage any subcontractors or other parties to perform Services unless first approved in writing by City. City's acceptance of subcontractors or other parties shall not relieve, release, or affect in any manner any of Contractor's duties, liabilities, or obligations hereunder, and Contractor shall at all times be and remain fully liable hereunder.

## **1.2 Contractor's Hours and Manner of Work**

- A. Services under this Agreement, including operating, maintaining and repairing the inbound and outbound BHS, the BHS Control Room, the PBBs, associated backup generators and replacing luggage lifts described herein, shall be performed during all hours of airline operations, approximately 3:00 a.m. to 11:00 p.m., seven (7) days a week. An on-site response time of one hour is required outside of normal operating hours. Provide staff as necessary to fulfill the requirements of this contract, on-site during these normal works hours.
- B. Contractor shall cooperate in all respects with the airlines and the City and/or its representatives. Preventive maintenance (PM) and non-scheduled maintenance tasks shall be coordinated with and scheduled around the daily requirements of the airlines' operations. Any major outages or repairs must be coordinated in advance with the City.

## **1.3 Contractor's Execution of Services**

- A. Scope of Services shall be applicable to all BHS and PBB/generator equipment identified in Article 1.3 of this section.
- B. Regularly and systematically examine, clean, lubricate, adjust, and as conditions warrant, repair or replace all BHS and PBB/generator equipment covered under this Agreement.
- C. Contractor shall maintain effective communication and coordination with the City and airlines, including timely and effective use of e-mail, telephones, faxes, pagers, etc., to ensure the City and airlines are aware of current equipment status, planned outages, injuries, vandalism, etc.

- D. Contractor shall follow all Transportation Security Administration (TSA) guidelines and shall ensure that alarmed luggage bags or suspect bags are not placed onto the clear baggage line.
- E. Contractor shall obtain and pay the costs of any royalties and licenses for any patented or copyrighted items used in the performance of the work, and shall keep such current at all times.
- F. Contractor shall attend meetings as required by the City.
- G. Contractor shall maintain all BHS, PBB and generator areas in a clean and safe condition, including removal of any refuse generated in the maintenance of the BHS, PBBs and generators. All such refuse shall be transported by Contractor to the trash compactors located in each facility.
- H. All areas surrounding the Systems, including under the conveyor sections and surrounding areas, shall be cleaned of debris by Contractor at least once on the a.m. shift and once on the p.m. shift for a minimum of two (2) times per day.
- I. Contractor shall clean and maintain the BHS rights-of-way and lighting for the Systems including, but not limited to, wiping down conveyor belt side guards, cabinets, and other exposed and accessible components, ensuring to the degree practical they are free of dust, grime, etc.
- J. It shall be the responsibility of Contractor to promptly notify the City if an official in charge of compliance with the Occupational Safety and Health Act (OSHA) or any other regulatory City visits the work site.
- K. Contractor shall provide the City with complete, legible copies of all regulatory notices, violations, citations, etc., received by Contractor that pertain directly or indirectly to the fulfillment of this Contract.

#### **1.4 Contractor Provided Resources**

- A. Contractor shall furnish all necessary resources (i.e., labor, supervision, tools, materials, office equipment, furniture and supplies, etc.), to fulfill all requirements and satisfactorily perform all Services described in this Contract in a safe, orderly, timely, efficient, and workmanlike manner. Contractor shall provide any additional resources to fulfill the requirements at no additional cost to the City.
- B. Contractor shall provide and maintain all safety equipment/devices, personal protective equipment, and clothing as required for its personnel.
- C. Contractor shall provide and maintain two-way messaging devices to all Contractor personnel. Device numbers and e-mail addresses for all devices shall

be provided to the City.

- D. Contractor shall provide cellular telephones with a radio feature, on a business network and full cellular/radio service, and/or 800 MHz radios for all key and on-site personnel. City shall provide to the Contractor a telephone unit for on-campus in the baggage control room. The contractor shall provide their own phone and internet service in their own office. Contractor may elect to utilize the City's Shared Tenant Services Voice over IT (VoIP) for local and long-distance phone service.
- E. Contractor shall provide and use a digital camera and video recorder with date and time stamp capabilities to fulfill the requirements of this contract.
- F. Contractor shall provide and maintain, at a minimum, two (2) properly licensed service vehicles at the Airport at all times throughout the duration of the Contract. The service vehicles are required to transport materials and supplies, Contractor personnel, and tools to various locations. Contractor shall further provide and maintain all necessary support vehicles (i.e. scissor lifts, fork lifts, golf carts, etc.) required to effectively and efficiently operate, manage and support the Services necessary to fulfill the requirements of this Contract. All Contractor provided vehicles must be serviceable and in good condition. The City will not provide or reimburse Contractor for any expenses, including fuel, for these vehicles. The City reserves the right to reject a Contractor supplied vehicle that does not adequately satisfy the City's quality standards.
- G. Contractor shall provide equipment for the proper transportation, receiving, unloading, and disbursement of its equipment, including protection of the same.

## **SECTION IX. OBLIGATIONS OF THE CITY.**

- A. Work Location: The City shall provide a normal work location for all Contractor employees. The City oversight of the contractor employees shall be provided as necessary.
  - 1. The City will provide Contractor office, workshop and storage space(s) at the Airport. The City will designate the location(s) and has the authority to relocate such areas as necessary.
  - 2. Contractor shall keep such areas clean and orderly at all times.
  - 3. Contractor shall keep the office door locked whenever unoccupied.
  - 4. Contractor shall not allow persons who do not possess a current Airport security badge to remain in the on-site office unescorted.
  - 5. Contractor shall not store any items not related to the Contract in the space or anywhere on the Airport.
- B. Operations and Maintenance Manuals
  - 1. The City will allow Contractor to use the BHS/PBB O&M manuals as provided by the OEM.

2. Contractor shall utilize these manuals only for work being performed at the Airport. The manuals shall be returned to the City at the end of the Contract term in the condition in which they were received.
3. City Computer Network Access
  - a. The City will provide Contractor with access to the Airport's public Wi- Fi for the sole purpose of fulfilling the requirements of this Contract. The City may, to verify compliance of this requirement, monitor Contractor's computer usage.
  - b. Contractor's computer systems and related equipment shall remain at Airport at all times. These computer systems, related equipment and data shall remain the property of the City at the end of the Contract.
  - c. Contractor shall not allow unauthorized users to operate or use the computers.
  - d. Contractor shall be responsible for immediately notifying the City of any computer malfunctions or troubles that could affect the Airport's network.
  - e. Contractor shall take all steps necessary to ensure proper computer access and security practices are in place so as to not compromise the City's network and to ensure compliance with the City's technology standards.
  - f. The City shall provide limited fire prevention equipment within the facilities.
  - g. The City shall provide reasonable utilities (electric, water, etc.) used in the operations and maintenance of the BHS, PBBs and associated generators.
  - h. Upon expiration or termination of the Contract, Contractor shall return to the City, in good condition, all City-provided resources, including all security devices, airport keys, security badges, and all other Airport identification.

## SECTION X. INDEMNIFICATION.

**The Company or its insurer will INDEMNIFY, DEFEND AND HOLD the City, its officers, agents and employees, HARMLESS FOR AND AGAINST ANY AND ALL CLAIMS, CAUSES OF ACTION, LIABILITY, DAMAGES OR EXPENSE, (INCLUDING BUT NOT LIMITED TO ATTORNEY FEES AND COSTS) FOR ANY DAMAGE TO OR LOSS OF ANY PROPERTY, OR ANY ILLNESS, INJURY, PHYSICAL OR MENTAL IMPAIRMENT, LOSS OF SERVICES, OR DEATH TO ANY PERSON ARISING OUT OF OR RELATED TO THIS AGREEMENT, even where such damage, injury, loss, illness, physical or mental impairment, loss of service, or death results from or involves NEGLIGENCE, or allegations of negligence on the part OF THE CITY, its officers, agents, or employees. Without modifying the conditions of preserving, asserting or enforcing any legal liability against the City as required by the City Charter or any law, the City will promptly forward to The Company every demand, notice, summons or other process received by the City in any claim or legal proceeding contemplated**

herein. The Company will 1) investigate or cause the investigation of accidents or occurrences involving such injuries or damages; 2) negotiate or cause to be negotiated the claim as the Company may deem expedient; and 3) defend or cause to be defended on behalf of the City all suits for damages even if groundless, false or fraudulent, brought because of such injuries or damages. The Company will pay all judgments finally establishing liability of the City in actions defended by The Company pursuant to this section along with all attorneys' fees and costs incurred by the City including interest accruing to the date of payment by The Company, and premiums on any appeal bonds. The City, at its election, will have the right to participate in any such negotiations or legal proceedings to the extent of its interest. The City will not be responsible for any loss of or damage to The Company's property from any cause.

## **SECTION XI. INSURANCE REQUIREMENTS.**

A. Without limiting Company's indemnification, Company shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by the Company, its agents, representatives or employees. City shall retain the right at any time to review the coverage, form, and amount of the insurance required hereby. If in the opinion of the City's Risk Manager, insurance provisions in these requirements do not provide adequate protection for City and for members of the public, City may require Company to obtain insurance sufficient in coverage, form and amount to provide adequate protection. City's requirements shall be reasonable but shall be imposed to assure protection from and against the kind and extent of risks that exist at the time a change in insurance is required.

### **B. Verification of Coverage**

Company shall furnish the City with certificates and evidencing coverage required below. Copies of required endorsements must be attached to the provided certificates. The City's Risk Manager may approve self-insurance programs in lieu of required policies of insurance if, in the opinion of the Risk Manager, the interests of the City and the general public are adequately protected. All certificates, evidences of self-insurance, and additional insured endorsements are to be received and approved by the City before performance commences. The City reserves the right to require that Company provide complete, certified copies of any policy of insurance offered in compliance with these specifications.

### **C. Scope and Limits of Service**

Except as otherwise noted, at all times during this Agreement or the performance of work required by this Agreement, the Company will maintain the following insurance in full force and effect for the duration of the work under this Agreement:

#### **1. Minimum Requirements:**

- a. **Commercial General Liability:** Company shall maintain commercial general liability insurance, with combined limits of liability for property damage, bodily injury and/or death of not less than \$1,000,000, for

Company (and subcontractors).

- b. **Commercial Automobile Liability:** Company shall maintain business commercial automobile liability at a limit of liability not less than \$1,000,000 for access to Landside, Airport Owned Property Access and \$5,000,000 for Airport Airside Access, for each occurrence for all owned, non-owned and hired automobiles. In the event the Company does not own any automobiles, Company agrees to maintain hired & non-owned auto liability in the same amounts. The hired & non-owned auto liability coverage requirement may be satisfied by way of endorsement to the commercial general liability policy, or by a separate commercial auto coverage form. This coverage shall be primary.
  - c. **Worker's Compensation Insurance & Employers Liability Insurance:** Company shall maintain workers' compensation & employer's liability coverage in accordance with all applicable state laws and including without limitation employer's liability including occupational disease, subject to a limit of liability of not less than \$500,000, or statutory limits, whichever is greater. This coverage shall be primary.
  - d. **Professional Liability:** Company shall maintain professional liability or equivalent errors and omissions coverage at a limit of liability not less than \$1,000,000 per occurrence. When a self-insured retention (SIR) or deductible exceeds \$10,000, the City reserves the right to request and review Company's most recent annual report or audited financial statement, and to consider Company in default of this Agreement if said information does not, in City's sole discretion, reveal sufficient financial strength to protect the City. For policies written on a claims-made basis, Company shall maintain a retroactive date prior to or equal to the effective date of this Agreement. In the event the policy is canceled, non-renewed, switched to an occurrence form, retroactive date advanced, or any other event triggering the right to purchase a Supplemental Extended Reporting Period (SERP) during the life of this Agreement, Company shall purchase a SERP with a minimum reporting period not less than 3 years. This coverage shall be primary.
2. **Other Insurance Provisions.** The insurance policies are to contain, or be endorsed to contain, the following provisions:
- a. **Additional Insured Status.** **The Company will provide, and maintain current, a Certificate of Insurance naming The City of El Paso, its departments, political subdivisions, officers, officials, employees, and volunteers are to be covered as "Additional Insureds" on the CGL policy with respect to liability arising out of the performance of this agreement. General liability coverage can be provided in the form of an endorsement to the Company's insurance (at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10 and CG 20 37 forms if later revisions used). The Certificate of Insurance, as evidence of all required coverage, should name the City of El Paso as Certificate holder and be delivered via**

U.S. Mail to El Paso International Airport 6701 Convair Rd El Paso, TX 79925.

- b. Primary Coverage. For any claims related to this Agreement, **the Company's insurance coverage shall be** primary insurance as respects the City, its departments, political subdivisions, officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City shall be non-contributing to the Company's coverage.
  - c. Claims Made Policies. If applicable, the retroactive date must be shown and must be before the date of the Agreement or the beginning of work. If the coverage is canceled or non-renewed, and not replaced with another claims-made policy, Company must purchase "extended reporting" coverage for minimum of 5 years after the termination of this agreement
  - d. Waiver of Subrogation. **The Company and its insurers agree to waive any right of subrogation** which any insurer may acquire against the City by virtue of the payment of any loss under insurance required by this Agreement.
  - e. Notice of Cancellation. Each insurance policy required above shall provide that **coverage shall not be canceled, except with prior notice to the City of no less than 60 days.**
  - f. Acceptability of Insurers. Insurance is to be placed with **insurers licensed and authorized to do business in the State of Texas with a current A.M. Best's rating of no less than A-: VII** unless otherwise acceptable to the City.
3. The Company will provide the City's Risk Manager (at City of El Paso Attn: Risk Manager, El Paso International Airport 6701 Convair Rd El Paso, TX 79925 – Ref.: RFP #2024-0450R within 10 calendar days of the Effective Date and at any other time at the City's request the following documents:
- a. Proof of coverage for each policy of insurance required by this Agreement;
  - b. Copy of the fully executed Agreement;
  - c. Copies of all policies of insurance, including all policies, forms, and endorsements;
  - d. Statements disclosing any policy aggregate limit.
4. Without notice from the City, the Company will:
- a. Replenish any policy aggregate limit that is impaired before commencement of any work or continuation of any work under this Agreement;
  - b. Substitute insurance coverage acceptable to the City within 30 calendar days if any insurance company providing any insurance with respect to this Agreement is declared bankrupt, becomes insolvent, loses the right to do business in Texas, or ceases to meet the requirements of this Agreement; and
  - c. Notify the City's Risk Manager in writing within 48 hours of its receipt of any notice of non-renewal, cancellation, or reduction in coverage or limits affecting any policy of insurance maintained under this Agreement.



**B. Excess or Umbrella Liability**

1. Umbrella or Excess Liability policies are acceptable and shall provide liability coverages that at least follows form over the underlying insurance requirements where necessary for Commercial General Liability, Commercial Automobile Liability, and Employers' Liability.

**C. Company's Equipment**

1. The Company, and each of its subcontractors, shall separately insure its own equipment for loss and damage. The Company's Property shall include, or be endorsed to include, a waiver of subrogation against the City, its officers, officials, employees, agents, and volunteers which might arise by reason of damage to the Company's property or equipment (owned, leased or borrowed) in connection with work performed under this Agreement by the Company.

**D. Environmental Liability Insurance**

1. The Company, or its environmental SUB-Company, shall procure, maintain, and keep in force at all times during the term of the Agreement, at the Company's sole expense, Company's Pollution Liability insurance which includes coverage for pollution arising out of the handling of hazardous materials or hazardous wastes, and coverage for liability arising out of the handling of asbestos with limits not less than:

Each Occurrence or Claim	\$2 Million Dollars (\$2,000,000)
General Aggregate	\$2 Million Dollars (\$2,000,000)

2. If coverage for Pollution Liability insurance is written on a claims-made form, the following provisions apply:
  - a. The "Retro Date" must be shown, and must be on or before the date of the Agreement or the beginning of the Work.
  - b. Insurance must be maintained and evidence of insurance must be provided for at least one (1) year after completion of the Agreement.
  - c. If coverage is cancelled or non-renewed, and not replaced with another claims-made policy form with a "Retro Date" prior to the Agreement effective date, the Company must purchase "extended reporting" coverage for a minimum of one (1) year after completion of the Agreement.

**E. Other Provisions**

1. The Company's Commercial Liability and Automobile Liability shall contain the following provisions:
  - a. The City, its officers, officials, employees, agents, and volunteers shall be covered as additional insureds as respects liability arising out of the

activities performed by or on behalf of the Company, products and completed operations of the Company, premises owned, occupied, or used by the Company, or automobiles owned, leased, hired, or borrowed by the Company. The policy shall contain no special or endorsed limitations on the scope of coverage afforded to the City, its officers, officials, employees, agents, or volunteers unless approved by the City's Risk Manager

- b. For any claims related to this Agreement, the Company's insurance coverage shall be primary insurance as respects the City's, its officers, officials, employees, agents, or volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, agents, or volunteers shall be excess of the Company's insurance and shall not contribute with it.
2. Any failure to comply with reporting or other provisions of the policies on the part of the Company, including breaches of warranties, shall not affect coverage provided to the City, its officers, officials, employees, agents, or volunteers. The Company's General Liability and any Excess or Umbrella Liability insurance policies shall contain an endorsement stating that any aggregate limits shall apply separately to each job site or project.
3. The Company's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
4. Any deductibles or self-insured retentions that apply to any insurance required by the Agreement must be declared and approved in writing by the City.
5. The Company shall maintain all insurance coverages in place at all times and provide the City with evidence of each policy's renewal ten (10) days in advance of its anniversary date. Each insurance policy required by this Agreement shall be endorsed to state that coverage shall not be canceled except after sixty 60 days written notice for cancellation or written notice for non-renewal has been given to the City. For non-payment of premium, 10 days prior written notice of cancellation is required.
6. All of the Company's insurance coverage, except as noted below, shall be placed with insurance companies with a current A.M. Best rating of at least A-: VII.
  - a. Exceptions:
    - i. Underwriters at Lloyd's of London, which are not rated by A.M. Best.
    - ii. Workers' Compensation that is provided through a State Compensation Insurance Fund or a qualified self-insurer for Workers' Compensation under State of Texas law.
    - iii. For liability insurance required under Pollution Liability Insurance, the insurance shall be placed with insurance companies with a current A.M. Best rating of at least A-: VII.

7. The City, at its discretion, may require new types of insurance coverage or increase the limits of insurance coverage required hereunder at any time during the term of the Agreement by giving thirty (30) days written notice to the Company. Company shall immediately procure such insurance or increase the limits of coverage and provide certificates of insurance, including copies of all required endorsements, to the City within thirty (30) days of receipt of the City's request.
8. The required insurance coverage shall be subject to the approval of the City, but any acceptance of insurance certificates by the City shall in no way limit or relieve the Company of its duties and responsibilities in this Agreement.
9. If the Company fails to procure or maintain insurance as required by this Section or fails to furnish the City with proof of such insurance, the City, at its discretion, may procure any or all such insurance. Premiums for such insurance procured by the City shall be deducted and retained from any sums due the Company under the Agreement. Failure of the City to obtain such insurance shall in no way relieve the Company from any of the Company's responsibilities under the Agreement. Any failure of the Company to maintain any item of the required insurance is sufficient cause for termination of the Agreement.
10. The making of progress payments to the Company shall not be construed as relieving the Company of responsibility for loss or damage, or destruction occurring prior to final acceptance by the City.
11. The City is authorized to execute amendments and waivers, with or without conditions, to the insurance requirements of the Agreement. The City will provide such amendments or waivers in writing to the Company.
12. Company shall be responsible for the acts and omissions of all its subcontractors and shall require all its subcontractors to maintain adequate insurance.
13. The failure of the City to enforce in a timely manner any of the provisions of this Section shall not act as a waiver to enforcement of any of these provisions at any time during the term of the Agreement.

**F. Notification or Accident, Occurrence or Other Claims**

1. The Company shall report by telephone to the City within twenty-four (24) hours and also report in writing to the City within fifteen (15) days after the Company or any subcontractors or agents have knowledge of any accident or occurrence involving death of or injury to any person or persons, or damage in excess of ten thousand dollars (\$10,000) to the Work, property of the City or others, arising out of any work done by or on behalf of the Company as part of the Agreement. Such report shall contain:
  - a. the date and time of the occurrence,
  - b. the names and addresses of all persons involved, and

- c. a description of the accident or occurrence and the nature and extent of injury or damage.
2. If any claim for damages is filed with Company or if any lawsuit is instituted against Company, that arise out of or are in any way connected with Company's performance under this Agreement and that in any way, directly or indirectly, contingently or otherwise, affect or might reasonably affect City, Company shall give prompt and timely notice thereof to City. Notice shall be prompt and timely if given within thirty (30) days following the date of receipt of a claim or ten (10) days following the date of service of process of a lawsuit.

#### **G. Responsibility for fines for Violation of Environmental Regulations**

1. Company shall assume sole responsibility for and payment of any fines levied on either the City or the Company by any local, state or federal authority (hereinafter Authority) for breaches of the Authority's environmental regulations. The Company agrees to be solely liable for the payment of all fines regardless of whether the fines are a result of the sole or partial acts or omissions of the Company. In addition, the Company understands and acknowledges that, during the course of construction, the environmental regulations implemented or imposed by the Authority on the City may change and the Company specifically agrees to comply with any future environmental regulations implemented or imposed by the Authority on the City.
2. Company shall pay all fines levied by the Authority on the Company or the City when levied or, if the Company believes that a violation of the Authority's regulations did not occur, appeal the levy of the fine to the Authority. Until the fine is paid or withdrawn by the Authority, the City shall deduct the amount of the fine from the monthly partial payments owed the Company for work performed on the project and hold the payment(s) in reserve until the fine is paid or withdrawn by the Authority. After the Company pays the fine or, the Authority withdraws the fine, the City will pay the withheld monies to the Company with the next monthly partial payment for work performed on the project.

#### **SECTION XII. CONFIDENTIALITY**

- A. All data, including originals, images and reproductions, prepared by, obtained by, or transmitted to the Company or subcontractor connection with this Agreement is confidential, proprietary information owned by the City. Except as specifically provided in this Agreement, the Company or subcontractor shall not disclose data generated in the performance of the Service to any third person without the prior written consent of the City.
- B. All data, including personally identifying information, financial account information, or other personal information collected, obtained or transmitted to the Company or subcontractor in connection with this Agreement shall be protected and secured in

accordance with federal, state and local law. The Company shall also comply with any City policy that may be implemented relating to protecting or securing such data. The obligations of the Company or subcontractor under this Section shall survive the termination of this Agreement.

- C. The Company shall not publish, release, disclose or announce to any member of the public, press, official body, or any other third party: (1) any information concerning this Agreement, the Services, or any part thereof; or (2) any documentation or the contents thereof, without the prior written consent of the City, except as required by law. The name of any site on which Services are performed shall not be used in any advertising or other promotional context by the Company without the prior written consent of the City.
- D. The Company agrees that the requirements of this Section shall be incorporated into all subcontractor agreements entered into by Company. It is further agreed that a violation of this Section shall be deemed to cause irreparable harm that justifies injunctive relief in court. A violation of this Section may result in immediate termination of this Agreement without notice.
- E. **Sensitive Security Information.** The Company acknowledges that the Services provided pursuant to this Agreement are subject to confidentiality under the Sensitive Security Information (SSI) Policy as administered by the federal TSA. SSI must be protected as required by 49 Code of Federal Regulations (CFR) Part 1520 and Department of Homeland Security Management Directive 11042.1. The Company shall not divulge information or documents pertaining to the Services provided pursuant to this Agreement to third parties without first notifying City and seeking approval from the TSA. The Company shall notify the City once it has obtained approval from the TSA prior to its revealing information or documents of any information pertaining to its Services and shall provide such notification prior to it revealing such information or documents.
- F. **Contacts with Third Parties.** The Company or subcontractor shall not contact third parties to provide any information in connection to the Services provided under this Agreement without the prior consent of the City. Should the Company or subcontractor be contacted by any person requesting information or requiring testimony relative to the Services provided under this Agreement or any other prior or existing Agreement with the City, the Company or subcontractor shall promptly inform the City giving the description of the information sought and shall not disclose such information or give such testimony without the consent of the City or court order. The obligations of the Company or subcontractor under this Section shall survive the termination of this Agreement.

### **Section XIII- SERVICE DEFICIENCIES.**

- A. Company shall be responsible for the professional quality, technical accuracy, and coordination of all Services furnished under this Agreement. Company shall, without additional compensation, correct or revise any deficiencies in the Services at the earliest possible time.

- B. Services required under this Agreement are time-sensitive and cannot be effectively delivered at a later time. The City will give written notice to Company of deficiencies in time-sensitive service items within twenty-four (24) hours of discovering the time-sensitive service deficiency.
- C. Neither the City's review, approval or acceptance of, nor payment for, any of the Services required under this Agreement shall be construed as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement, and Company shall be and remain liable to the City in accordance with applicable law for all damages to the City caused by Company's negligent performances of any of the Services furnished under this Agreement.
- D. Company agrees to reimburse the City, within fifteen (15) calendar days, for 100% of all fines levied against the City by the Federal Aviation Administration (FAA), TSA, or other government authorities when those fines can be attributed to services not provided or defectively performed by Company.

## **SECTION XV – TERMINATION.**

In addition to those termination provisions otherwise provided herein, this Agreement may be terminated under any one of the following circumstances:

- A. **Termination for Convenience:** This Agreement may be terminated by City upon written notice, provided such notice specifies an effective date for cancellation of not less than thirty (30) calendar days from the date such notice is received. The Company will be paid its costs, including the contract close out costs, and profit on work performed up to the time of termination. If the Company has any property in its possession belonging to City or the City, the Company will account for the same, and dispose of it in the manner City directs.
- B. **Termination for Default:** Either party may terminate its performance under this Agreement in the event of default by the other party and a failure by that party to cure such default after receiving notice thereof, all as provided in this Section. Default shall occur if a party fails to observe or perform any of its duties under this Agreement.
  - 1. If the Company defaults, City shall deliver a written notice to the Company describing such default and the proposed date of termination. Such proposed date of termination may not be sooner than the 30<sup>th</sup> day following receipt of the notice. City, at its sole option, may extend the proposed date of termination to a later date. If prior to the proposed date of termination, the Company cures such default, then the proposed termination shall be ineffective. If the Company fails to cure such default prior to the proposed date of termination, then City may terminate its performance under this Agreement as of such date. The Company will only be paid for services accepted by City at the time of termination that may include contract close out costs, and profit on work performed up to the time of termination. The Company will promptly submit any termination

claim to City to be paid the Company. If the Company has any property in its possession belonging to City or the City, the Company will account for the same, and dispose of it in the manner City directs.

2. If City defaults, the Company shall deliver a written notice to the City Manager (with copy to the City's Purchasing Manager and City Attorney) describing the default, such notice shall specify the provisions of the Agreement under which the Company considers City to be in default and set forth a date of termination not sooner than 90 days following receipt of such notice. The Company at its sole option may extend the proposed date of termination to a later date. If City fails to cure such default prior to the proposed date of termination, the Company may terminate its performance under this Agreement as of such date.

**C. Effect of Termination:** All duties and obligations of City and the Company shall cease upon termination or expiration of this Agreement, except that:

1. The Company shall discontinue advancing the work in progress, or such part that is described in the notice. The Company agrees to take action reasonably necessary to cause an orderly cessation and transition of Services to City or another company designated by City without detriment to rights of City or to continued operation of Property including, but not limited to, refraining from any interference or disruption of occupants or other Companies.
2. All files are property of the City and at City's request will be delivered at no cost to City or its designated recipient at the effective date of termination.
3. The Company shall release and make available to City all records owned by the City, and shall cooperate fully to affect an orderly transfer of services and claim files.
4. All provisions of this Agreement that expressly or impliedly contemplate or require payment or performance after the expiration or termination of this Agreement, shall survive such expiration or termination.
5. The Company shall be paid for services performed and accepted by the City to the date of Termination and after the Company delivers to the City all final reports, documentation and materials.
6. Upon termination or expiration of this Agreement, City shall have option to:
  - a) Assume responsibility of all claims pending as of the effective date of the termination; or
  - b) Require the Company to continue administering all pending claims as provided herein at the compensation provided in this Agreement. If

City or the City assumes responsibility for all claims, the Company agrees to do all things necessary to transfer administration of all claims to City or the City.

- D. Default or Waiver.** Continued performance by the City as to the terms of this Agreement after default by the Company shall not be deemed a waiver by the City of the right to cancel for any subsequent default, and a waiver of such default shall not be construed as a waiver of any subsequent default.

#### **SECTION XIV: ASSIGNMENT, TRANSFER, AND MODIFICATION.**

- A. Assignment and Transfer.** The Company shall neither sell, assign, nor transfer this Agreement. Any attempt to sell, assign or transfer this Agreement shall be void, shall be deemed and event of default and may result in termination of this Agreement.
- B. Right to Amend.** In the event that the Transportation Security Administration, the Federal Aviation Administration or their successor agencies require modifications or changes in this Agreement, the Company agrees to consent to such amendments, modifications, revisions, supplements, or deletions of any of the terms, conditions, or requirements of this Agreement as may be reasonably required. All amendments shall be made in writing and executed by both parties.

#### **SECTION XVI: TITLE VI OF THE CIVIL RIGHTS ACT OF 1964, 78 STAT. 252, 42 U.S.C. 2000D TO 2000D-4 AND TITLE 49, CODE OF FEDERAL REGULATIONS, DEPARTMENT OF TRANSPORTATION.**

During the performance of this contract, Company, for itself, its assignees and successors in interest (hereinafter referred to as the “Company”) agrees as follows:

- (1) **Compliance with Regulations:** Company shall comply with the Regulations relative to nondiscrimination in Federally-assisted programs of the Department of Transportation (hereinafter, “DOT”) Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time, (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.
- (2) **Nondiscrimination:** Company, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. Company shall not participate either directly or indirectly in the discrimination prohibited by section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.
- (3) **Solicitations for Subcontractors, Including Procurements of Materials and Equipment:** In all solicitations either by competitive bidding or negotiation made by Company for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by Company of Company’s obligations under this contract and the Regulations relative to nondiscrimination



on the grounds of race, color, or national origin.

- (4) **Information and Reports:** Company shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts other sources of information, and its facilities as may be determined by Owner to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of a Company is in the exclusive possession of another who fails or refuses to furnish this information Company shall so certify to Owner, as appropriate, and shall set forth what efforts it has made to obtain the information.
- (5) **Sanctions for Noncompliance:** In the event of Company's noncompliance with the nondiscrimination provisions of this contract, the Owner shall impose such contract sanctions as it may determine to be appropriate, including but not limited to:
- a. Withholding of payments to the Company under the contract until the Company complies, and / or
  - b. Cancellation, termination or suspension of the contract in whole or in part.
- (6) **Incorporation of Provisions:** Company shall include the provisions of paragraphs (1) through (6) in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations, or directive issued pursuant thereto. Company shall take such action with respect to any subcontract or procurement as Owner may direct as a means of enforcing such provisions including sanctions for non-compliance: Provided, however, that in the event a Company becomes involved in, or is threatened with litigation with a subcontractor or supplier as a result of such direction, the Company may request Owner to enter into such litigation to protect the interests of Owner and in addition, Company may request the United States to enter into such litigation to protect the interests of the United States.

## SECTION XVIII: GENERAL PROVISIONS

- A. Attorney's Fees.** If either party brings any action or proceeding to enforce, protect or establish any right under the terms and conditions of this Agreement, the prevailing party shall be entitled to recover reasonable attorney's fees and court costs incurred in connection with the enforcement action.
- B. Non-Waiver.** No waiver of any breach of default hereunder shall constitute a waiver of any other breach or default, whether of the same or any other covenant or condition. No waiver, benefit, privilege or service voluntarily given or performed by either party shall give the other party any contractual right by custom, estoppel or otherwise.
- C. Section Headings.** The section headings contained herein are for the parties' convenience in reference and are not intended to define or limit the scope of any provision of this Agreement.
- D. Notices.** Notices to either party, as provided for herein shall be sufficient if hand delivered or sent by registered mail, postage prepaid, addressed to the following addresses, or such other address as the parties may designate in writing during the term of this Agreement:

**CITY:** City of El Paso Attn: City Manager 300 N. Campbell  
El Paso, Texas 79901

**COPY TO:** Director of Aviation  
El Paso International Airport  
6701 Convair  
El Paso, Texas 79925-1091

**COMPANY:** Daifuku Services America Corporation  
30100 Cabot Dr.  
Novi, MI 48377

Notices shall also be sufficient if sent via reputable overnight delivery service which provides proof of delivery, such as Federal Express, UPS, or the like.

- E. Successors and Assigns.** All of the terms, covenants, and agreements herein contained shall be binding upon and shall inure to the benefit of successors and assigns of the respective parties hereto.
- F. Agreement Made in Texas.** The laws of the State of Texas shall govern the validity, interpretation, performance and enforcement of the Agreement. Venue shall be in the courts of El Paso County, Texas.
- G. Severability.** If any provision of this Agreement is found by a court of competent jurisdiction to be illegal, invalid, or unenforceable, the remainder of the Agreement will not be affected, and in lieu of each provision which is found to be illegal, invalid, or unenforceable, there will be added as part of the Agreement a provision as similar to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable.
- H. Authorization to Enter Agreement.** The parties represent and warrant to each other that each party and the persons signing this Agreement have authority to enter into this Agreement and bind their respective organizations thereto. Further, all persons entering into this Agreement represent that their respective entity is a duly authorized and existing entity qualified to do business in Texas. Upon either party's request, the other party will provide evidence satisfactory to requesting party confirming these representations.
- I. Subordination to Agreements with the United States.** This Agreement is subject and subordinate to the provisions of any agreements heretofore or hereafter made between the City and the United States, relative to the operation or maintenance of the Airport, the execution of which has been required as a condition precedent to the transfer of federal rights or property to the City for Airport purposes, or to the expenditure of federal funds for the improvement or development of the Airport, including the expenditure of federal funds for the development of the Airport in accordance with the provisions of the Federal Aviation Act of 1958, as it has been amended from time to time.

The Company shall comply with all existing and subsequently enacted federal, state and local laws, ordinances, codes, and regulations that are, or become applicable to this

Agreement. The parties agree that Federal Aviation Administration clauses in Exhibit “G” are hereby incorporated into this Agreement.

**J. Time is of the Essence.** Except as otherwise specified herein, time is and shall be deemed of the essence in respect to the performance of each provision of this Agreement.

**K. Force Majeure.** If, by reason of Force Majeure, either party hereto will be rendered unable wholly or in part to carry out its obligations under this Agreement then such party will give notice and full particulars of such Force Majeure in writing to the other party within a reasonable time after occurrence of the event or cause relied upon, and the obligation of the party giving such notice, so far as it is affected by such Force Majeure, will be suspended for only thirty (30) days during the continuance of the inability then claimed, except as hereinafter provided, but for no longer period, and such party will try to remove or overcome such inability with all reasonable dispatch.

The term Force Majeure as employed herein, will mean acts of God, strikes, lockouts, or other industrial disturbances, acts of public enemies, orders of any kind of government of the United States or the State of Texas or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquake, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraint of government and people, civil disturbances, explosions, breakage or accidents to machinery, pipelines, or canals. It is understood and agreed that the settlement of strikes and lockouts will be entirely within the discretion of the party having the difficulty, and that the above requirement that any Force Majeure will be remedied with all reasonable dispatch will not require the settlement of strikes and lockouts by acceding to the demands of the opposing party or parties when such settlement is unfavorable in the judgment of the party having the difficulty. If a party is unable to comply with the provisions of this Agreement by reason of Force Majeure for a period beyond thirty days after the event or cause relied upon, then upon written notice after the thirty (30) days, the affected party shall be excused from further performance under this Agreement.

**L. Cumulative Rights and Remedies.** All rights and remedies of either party here enumerated shall be cumulative and none shall exclude any other right or remedy allowed by law. Likewise, the exercise by either party of any remedy provided for herein or allowed by law shall not be to the exclusion of any other remedy.

**M. Interpretation of this Agreement.** The parties agree that this Agreement has been freely negotiated by both parties and that in any controversy, dispute or contest over the meaning, interpretation, validity or enforceability of this Agreement or any of its terms and conditions, there shall be no inference, presumption or conclusion drawn whatsoever against either party by virtue of that party having drafted this Agreement or any portion thereof. Further, words of any gender used in this Agreement shall be held and construed to include any other gender and words in the singular number shall be held to include the plural, unless the context otherwise requires.

**N. Entire Agreement.** This Agreement, together with all exhibits and attachments incorporated herein, constitutes the entire agreement between the parties hereto, and all other representations or statements heretofore made, verbal or written, are merged herein.

This Agreement may only be amended in writing upon execution by duly authorized representatives of the parties hereto.

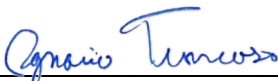
*(Signatures Begin on the Following Page)*

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed the day and year first above written.

**CITY OF EL PASO:**

\_\_\_\_\_  
Dionne Mack  
City Manager

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Ignacio R. Troncoso  
Assistant City Attorney

**APPROVED AS TO CONTENT:**

  
\_\_\_\_\_  
Tony Nevarez  
Aviation Director

**ACKNOWLEDGMENT**

**THE STATE OF TEXAS**    )  
  )  
**COUNTY OF EL PASO**    )

This instrument was acknowledged before me on this \_\_\_\_ day of \_\_\_\_\_ 2025,  
by Dionne Mack, as City Manager of the City of El Paso, Texas (the City).

\_\_\_\_\_  
Notary Public, State of Texas

My Commission Expires:

\_\_\_\_\_

*(Signatures Continue on the Following Page)*

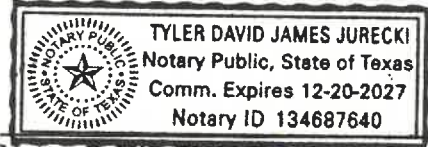
**Daifuku Services America  
Corporation, a Florida Corporation:**

By: Kristijan Medic  
Name: KRISTIJAN MEDIC  
Title: VP, Sales & Services

**ACKNOWLEDGMENT**

STATE OF Texas )  
                                  )  
COUNTY OF Dallas )

This instrument was acknowledged before me on this 12 day of February 2025,  
by Kristijan Medic, as VP, Sales & Services (Title) of Daifuku Services  
America Corporation, a Florida Corporation.



Notary Public, State of Texas

My Commission Expires:

12-20-2027

## **Exhibit “A”**

## **EXHIBIT A**

### **EQUIPMENT COVERED UNDER THIS AGREEMENT**

The equipment and systems covered under this Agreement shall be as follows:

Contractor shall provide operation, maintenance and repair services for the new inbound and outbound Baggage Handling Systems ("BHS' or "Systems"), Passenger Boarding Bridges ("PBB") as well as replacement of PBB luggage lifts at El Paso International Airport ("Airport") as depicted in Exhibit A.

BHS includes: five (5) new ticket counter subsystems, one (1) new curbside subsystems, one (1) new transport mainlines that collects all the bags from the ticketing level, all conveyor subsystems designed as part of the new security matrix which is comprised of one (1) Out of Gauge subsystem, three (3) security shunts subsystem which feed three (3) L3 6700 ES ISDs, three (3) on-screen resolution subsystems for Level 2 screening, two (2) alarm subsystems to route alarmed bags into Checked Baggage Resolution Area (CBRA) for manual screening with one line conveying out of gauge bags and the other line conveying in-gauge bags, five (5) clear bag subsystems to route bags from Checked Baggage Inspection System (CBIS) to the sortation area, one (1) Re-insert subsystem to re-induct bags into the CBIS, one (1) sortation line, four (4) new baggage flat plate make-up units, (4) feeds to MU devices, (1) outbound over size line, (2) new passenger flat plate claim devices located in the Federal Inspection Services area for international arrival flights and four (4) new flat plate claim devices for domestic arrival flights, as well as ATRs, security/fire doors, security/fire door dog houses, and structures that enclose the conveyors, exclusive of the Explosive Security System devices found in the matrix (TSA equipment).

PBB includes: fifteen (15) ThyssenKrupp Airport Systems Two & Three-Tunnel Apron Drive Passenger Boarding Bridges (PBB), fifteen (15) Cavotec PDX-30 Preconditioned Air Units, fifteen (15) Cavotec 90kVA Combi 400Hz Ground Power Units, fifteen (15) Selmer Industries Potable Water Cabinets, fifteen (15) AustralStar Platform Luggage Lifts (to be replaced) and three (3) Cummings generators (Models GTA50 (1) and C1000 N6 (2)).



## **Exhibit “B”**

## EXHIBIT B– PERFORMANCE REQUIREMENTS AND EQUIPMENT SCHEDULE & REPORTING REQUIREMENTS

### 1.1 EQUIPMENT PERFORMANCE REQUIREMENTS

- A. Contractor shall meet or exceed the performance requirements described in this Section, as calculated on a weekly basis.
- B. Contractor response time to any type of fault conditions, including bag jams, shall not exceed three (3) minutes.
- C. Each In-Line EDS BHS has been designed to achieve and maintain a rate equivalent to the throughput capacity of the total number of EDS in that System. Contractor shall operate and maintain the BHS at all times to continuously achieve the rates approved by TSA during ISAT testing and 30 days run in.
- D. Reliability of each Subsystem shall be measured in terms of "Subsystem Availability" (SA) of each Subsystem. Availability of each Subsystem is determined from the definitions and formula contained in this Exhibit.
- E. A failure is defined as any malfunction of a Subsystem assembly or subassembly that stops normal operations. A failure shall be charged against the Subsystem that causes the failure. The following shall not be deemed failures:
  - 1. Malfunctions due to causes outside the Subsystem such as sabotage, general power outage, etc.
  - 2. Malfunctions due to baggage jams not caused by failure of a Subsystem component, assembly or subassembly.
  - 3. Malfunctions due to products or services outside the control of Contractor.
  - 4. Damage from vehicle traffic such as tugs, carts.
  - 5. Incipient failures that are detected and repaired without affecting normal operation of the Subsystem.
  - 6. Malfunction of a redundant computer pair where the repair time does not affect normal operation of the System or Subsystem.
  - 7. Malfunction of a portion of the System or Subsystem that degrades but does not completely stop operation (i.e., sortation).
  - 8. Malfunction of any EDS device in the BHS.
- F. In the event of catastrophic failure with a duration in excess of 30 minutes, Contractor staff shall consult and advise the City's designated representative responsible for all BHS operational decisions.
- G. EDS Subsystems shall be staffed by the TSA. The Contractor will not be responsible for the EDS Subsystem.
- H. Scheduled Operating Time (ST): The scheduled time that the Subsystem is available for baggage processing. Normal is approximately 20 hours per day. However,

Contractor must accommodate irregular operations, charters and delays, that may require extended hours of operation.

I. Repair Time (RT): The interval of time between initiation of repairs and return of the Subsystem to operation.

J. Subsystem Availability (SA): Subsystem availability is defined as follows

$$SA = (ST - RT) / ST$$

where n = Subsystem number

K. System Availability (AI): Contractor shall meet or exceed the performance requirements described in this Section, as calculated on a weekly basis.

System Availability is defined as follows:

$$A = (SA1 + SA2 + SA3.....etc.) / N$$

where N = total number of Subsystems

L. The BHS shall have a System Availability of not less than 96% or the availability at which the System is operating at the time of Contract commencement, whichever is higher, for the first ninety (90) days of full operation by Contractor (averaged weekly). Within ninety (90) days, the System shall reach and maintain an average System Availability of not less than 99%.

M. Contractor shall maintain all tracking devices (encoders, photo-eyes, Automatic Tag Readers (ATRs)) and interfaces (remote I/O devices, Programmable Logic Controllers (PLCs)), etc., in such proper order to achieve continuous sortation accuracy from an encoded position (ATR) of 99.0%, calculated on a weekly basis, for the total number of bags input into the BHS. Sortation accuracy is defined as encoded baggage that is sorted correctly to the assigned carousel or pier. Baggage that is sorted to the incorrect carousel or pier is classified as a missort.

N. Contractor will maintain all tracking devices (encoders, photo-eyes, flex I/O devices, PLCs, etc.) in such proper condition to achieve continuous tracking accuracy from an encoded position (ATRs) of 99.0%, calculated on a weekly basis, for the total number of bags input into the BHS. Tracking accuracy is defined as the System's ability to identify and control the location of the baggage from the point of encoding to the correct output.

O. The ATRs will be maintained by Contractor per the OEM's recommended procedures. Cleaning of individual read heads will be performed as necessary and at least twice a day (at System start-up in the morning and mid-afternoon). The minimum weekly average read rate maintained for originating baggage will be 90% successful reads of all 10-digit codes. This figure does not apply to hand written tags or noncompliant tags that negatively impact actual read rates. Noncompliant tags shall include those that cannot be read due to their physical locations on the baggage that prevents the

ATRs from reading the tag. Improper tag stock or poorly aligned print heads may also produce non-compliant tags.

- P. Contractor shall operate, maintain and repair the air conditioning and/or fan units for the Motor Control Panel (MCP) and PLC cabinets, according to OEM specifications to maximize performance and minimize System outages, and must have appropriately certified personnel or subcontractors to do so.
- Q. Contractor shall not be responsible for, nor allowed to complete, programming changes to the PLCs. However, Contractor shall maintain PLC components and work cooperatively with the City or City's designee in the maintenance and replacement of PLCs as needed. Any change or adjustment to PLC programming affecting conveyors in CBIS and CBRA will require a "CBIS Change Request" be submitted for approval to TSA and the City.
- R. Contractor shall perform major PM Services during non-operational airline hours. Hours are subject to change, but are generally 10:30pm to 3:00am. Other hours may be approved after initiation of the contract and upon written approval of the City.

## 1.2 BHS EQUIPMENT USAGE CRITERIA

- A. For any calendar month of this Contract that the BHS does not achieve a System Availability of at least 99% as defined herein, a "Payment Factor" shall be applied to Contractor's total invoice amount for that month, as follows:

B.

System Availability (A)	Payment Factor
99.0 - 100	1.000
98.9 - 98.99	0.991
98.8 - 98.89	0.981
98.7 - 98.79	0.971
98.6 - 98.69	0.961
98.5 - 98.59	0.951
98.4 - 98.49	0.941
98.3 - 98.39	0.931
98.2 - 98.29	0.921

- B. The minimum Payment Factor that may be applied by the City to any monthly invoice of Contractor shall be 0.921. Applying any such Payment Factor shall be the City's sole remedy, and Contractor's sole liability, for failure to meet System Service Availability as defined above.

## 1.3 PARTS AND MATERIALS

- A. The City will establish a stock of critical parts. Contractor shall regularly review and monitor the critical parts inventory and make recommendations for changes if necessary, to ensure Contract performance will not be impeded. Any input from Contractor for critical spare parts to be added to or removed from the inventory shall

be submitted to the City, in writing, for approval. The critical spare parts approved by the City to be included in the critical spare parts inventory will be purchased by the Contractor and associated cost will be reimbursed by the City.

- B. Materials: The term “materials” shall include all tangible property, whether designated as materials, goods, parts, or otherwise. All such materials shall be:
1. New.
  2. High quality and suitable for their intended uses.
  3. Obtained from or recommended by original manufacturers of equipment for replacement or repair, including parts redesigned by and recommended as replacement parts by the original equipment manufacturers. Equivalent parts may be used if approved by City in writing.
  4. Parts requiring repair shall be rebuilt to “like new” condition.
  5. All materials delivered and stored at the Property which are intended to become part of the completed Services shall pass to City.
  6. Storage of materials shall be in areas designated and approved the City. No open storage of materials shall be permitted. Contractor shall stock appropriate parts and supplies to maximize beneficial usage of equipment covered by this Agreement.
  7. Contractor shall not be responsible for replacement of obsolete parts. Contractor shall contact the City to demonstrate that the obsolete parts or equal parts are not available, prior to submitting costs to replace the part. Labor for removal and replacement of parts agreed to as being obsolete, shall be the responsibility of the Contractor.
  8. Contractor shall determine, based on the Contractor’s system being proposed, the anticipated level of cost required to account for items identified in.
- C. Contractor shall replenish all parts drawn from the stock:
1. Items costing \$50.00 or less (for a single item) shall be replenished at no cost to the City. No combining of cost for multiple replacement parts and/or materials shall be permitted.
  2. Items costing more than \$50.00 (for a single item) shall be reimbursed by the City, at cost. There shall be no mark-up for parts and associated cost for shipping and handling. Contractor shall provide original invoices for all items to be reimbursed.
- D. The City shall 50 Contractor for all other parts and materials that cost (for a single item) in excess of \$50.00 and that have prior written consent of the City. There shall be no mark-up for shipping and handling. Contractor shall provide original invoices for all items to be reimbursed.
- E. All other parts and materials costing less than \$50.00 are considered a part of Base Services and will not be reimbursed.
- F. The City shall own all spare parts, regardless of whether they are in the critical parts inventory, and they shall be stored on-site. The City will oversee Contractor's management of the entire inventory stock and the associated stock list. Contractor will be required to update the stock list monthly, and to notify the City of any changes to the inventory stock list.

- G. Contractor shall purchase only parts and/or materials that are OEM specific unless approved in advance, in writing, by the City.
- H. Contractor shall establish an Inventory Management Plan as indicated in Exhibit G. Contractor shall follow the plan as approved by the City and be responsible for the managing the inventory, storage, procurement, replenishment and safekeeping of the inventory.
- I. Contractor shall utilize the CMMS or other City-approved software to manage and document procurement and usage of the inventory.
- J. Contractor shall schedule its own supply deliveries. Contractor shall arrange to have deliveries made during normal working hours. Contractor shall provide equipment for the proper transportation, receiving, unloading, and disbursement of parts and materials, including protection of the same.
- K. Prior to initial use of any products or materials, Contractor shall provide the following submittals for review and approval by the City
  1. Manufacturer's product data and literature
  2. Manufacturer's installation recommendations
  3. Samples, if required by the City
  4. Material Safety Data Sheet
- L. If certain materials manufactured by Contractor do not appear on a published price list, Contractor may be required to provide evidence that the charges are comparable to those given to other preferred customers of Contractor.
- M. Contractor shall not remove damaged or failed parts from the Airport without the City's prior written consent.

#### 1.4 FIELD INSPECTIONS AND CITY'S RIGHT TO AUDIT SERVICES

- A. All Services rendered under this Contract are subject to City inspection, either scheduled or unscheduled, both during and after completion of work. The City's inspection is NOT a substitute for adequate and consistent quality control by Contractor.
- B. The City has the right, at all times, to inspect Services performed, and Contractor's workmanship and materials furnished/utilized in the performance of such Services, to the extent practicable. The City shall perform inspections, as it deems necessary, throughout the term of the Contract. Inspections shall be conducted in a manner that will not unduly impact Contractor's work.
- C. The City has the right to arrange for a third party to conduct a condition assessment on the Systems to identify and analyze equipment failures and performance of Contractor.
- D. If any of the Services do not conform to Contract requirements, the City may require Contractor to perform the Services again in conformity with Contract requirements, at no additional cost to the City. When defects in service cannot be corrected by performing the service again, the City may require Contractor to take the necessary action to ensure that future performance conforms to this Contract.

- E. If, after having been directed by the City to correct a deficiency, Contractor fails to promptly perform the Services again or fails to take the necessary action to ensure future performance is in conformity with Contract requirements, the City may:
  - 1. Perform the Services and charge Contractor any cost incurred by the City directly related to the performance of such service.
  - 2. Terminate the Contract for default.
  
- F. The City reserves the right, at reasonable times, to audit Contractor's books and records relative to the performance of service under this Contract. All records pertaining to this Contract shall be kept on a generally accepted accounting basis for a period of three (3) years following termination of the Contract.

## **EQUIPMENT SCHEDULE AND REPORTING REQUIREMENTS**

### **1.1 BAGGAGE HANDLING SYSTEM SCHEDULED REPORTING REQUIREMENTS:**

- A. The Contractor shall be responsible for providing daily, weekly, and monthly reports generated by the Baggage Handling System. Unless otherwise identified, all reports are to go to the City.
  - 1. Daily
    - a. Airline Reports: Contractor shall develop and maintain daily all reports required by the airlines, in the format defined by the airlines. It is Contractor's responsibility to comply with the airlines' reporting requirements generated by the Systems.
    - b. Baggage Jam Report: Contractor shall develop and maintain daily a report in MS Excel or other City approved format that documents all instances of baggage jams on the BHS. This report shall include, at a minimum, time and date of occurrence, sections of conveyance systems where jam occurs, affected airline(s), quantity of bags, responding technician(s) and System downtime duration.
    - c. Equipment Status Report: Contractor shall provide the City an Equipment Status Report, daily via e-mail, of all units that have been placed out of service. Contractor shall ensure information regarding equipment status is passed to Contractor's incoming shift from Contractor's preceding shift. Contractor shall include unit number, location, reason for unit being out of service, date and time out-of- service status began, estimated duration of outage, and any anticipated impact to the airlines. Contractor shall report to the City's designated representative when the equipment is placed back in service.
    - d. Mis-sort Baggage Report: Contractor shall develop and maintain a daily report in MS Excel or other City approved format that documents all outbound baggage traveling through the sortation system that is not directed to the correct Make-up Unit. This report shall include, at a minimum, date and time of occurrence, Baggage Sortation Message code of bag, Make-up Unit where bag was intended to arrive, Make-up Unit where bag arrived, affected airline, and suspected cause of the mis-sort. Contractor shall use a bar code verifier to generate a report on condition of airline bag tags.
    - e. Outbound Processed Baggage Report: Contractor shall develop and

maintain a daily report in MS Excel or other City approved format that documents the quantity of baggage processed through the outbound sortation system on an hourly basis. This report shall be categorized by date and hour and shall include total quantity of bags processed on each main line.

- f. Shift Activities Report: Contractor shall, at the beginning of each shift, notify the ADR and any other City designated personnel, via e-mail, of Shift Activities of all units Contractor intends to remove from service for corrective maintenance. Contractor shall include unit number, unit type, location, reason for unit being out of service, and estimated duration of outage. Such notification must occur immediately by telephone if customer service is interrupted.
  - g. System Downtime Report: Contractor shall develop and maintain a report in MS Excel or other City approved format that documents all instances of non-PM related System outages. This report must be provided to the City on a daily basis. This report shall include, at a minimum, date and time of notification, Contractor response time to problem, sections of System affected, responding technician(s), cause of System downtime and System return-to-service date and time.
  - h. TSA Report: Contractor shall develop and maintain daily all reports required by the TSA, in the format defined by the TSA. It is Contractor's responsibility to comply with TSA reporting requirements generated by the Systems.
2. Weekly
- a. Quality Control Inspection Report: Contractor shall develop and maintain a weekly Quality Control Inspection Report in a City approved format. This report shall include, at a minimum, those items identified in Contractor's Quality Control Program.
  - b. System Downtime Report: Contractor shall develop and maintain a report in MS Excel or other City approved format that documents all instances of non-PM related System outages. This report must be provided to the City on a weekly basis. This report shall include, at a minimum, date and time of notification, Contractor response time to problem, sections of System affected, responding technician(s), cause of System downtime and System return-to-service date and time.
3. Bi-Monthly
- a. PM Schedule Deviation Report: Contractor shall develop and submit a PM Schedule Deviation Report that documents all PM's not completed on time as originally scheduled. For all outstanding work, Contractor shall include a proposed schedule for accomplishment, and a complete explanation as to why work was unable to be performed. Contractor shall submit the PM Schedule Deviation Report to the City on the second and fourth Wednesdays of each month.
4. Monthly
- a. BHS Report: Contractor shall provide a monthly executive summary of BHS reports in a City approved format to include appropriate tables, graphs, etc.
  - b. BHS Reset Report: Contractor shall develop and maintain a monthly BHS Reset Report in a City approved format. This report shall include, at a minimum, the date, time, cause, Corrective Action taken and completion time of all resets during the month.



- c. Critical Parts Inventory and Usage Report: Contractor shall develop and maintain a monthly Critical Parts Inventory and Usage Report in a City approved format. This report shall include, at a minimum, those items identified in Contractor's Inventory Management Plan.
  - d. Equipment Data Evaluation Report: Contractor shall develop and maintain a monthly Equipment Data Evaluation Report in a City approved format. This report shall include, at a minimum, ATR read rate statistics, photo-eye jam statistics, motor overload statistics, and failsafe statistics.
  - e. PM Schedule: Contractor shall provide the City, five (5) business days prior to the end of each month, a CMMS generated equipment PM schedule which details Contractor's PM schedule for the upcoming month. At a minimum, the report shall contain work order number, PM type, unit number, equipment description, and work order origination date.
  - f. System Availability Report: Contractor shall develop and maintain a monthly System Availability Report in a City approved format. This report shall include, at a minimum, the calculations for Subsystem and System Availability and all supporting documentation.
  - g. System Downtime Report: Contractor shall develop and maintain a report in MS Excel or other City approved format that documents all instances of non-PM related System outages. This report must be provided to the City on a monthly basis. This report shall include, at a minimum, date and time of notification, Contractor response time to problem, sections of System affected, responding technician(s), cause of System downtime and System return-to-service date and time.
  - h. Trend analysis Report: Contractor shall perform trend analyses for all equipment covered by this Contract and shall provide monthly reports identifying, at a minimum, outage trends, bag jamming trends, etc.
  - i. Work Order Status Report: Contractor shall provide the City, five (5) business days after the end of each month, a CMMS-generated Work Order Status Report that details all incomplete and completed work orders generated during the previous month. At a minimum, the report shall contain work order number, PM type/service required, brief description of work, equipment description, account code, origination date and completion date.
5. Annually
- a. Critical Parts Inventory and Usage Reports: Contractor shall develop and maintain an annual Critical Parts Inventory and Usage Report in a City approved format. This report shall include, at a minimum, those items identified in Contractor's Inventory Management Plan.
  - b. Trend analysis Report: Contractor shall perform trend analyses for all equipment covered by this Contract and shall provide annual report identifying, at a minimum, outage trends, bag jamming trends, etc.

6. As-Needed
  - a. Accident Reporting: Contractor shall provide a formal report of all accidents and/or injuries that occur and involve the equipment and/or personnel covered by this Contract via e-mail to the ADR no later than two (2) hours after the occurrence. This report shall identify all parties involved, location, times and suspected cause of incident.
  - b. Failure Analysis Report: Corrective Actions shall be documented in a Failure Analysis Report, within three (3) business days, in a City approved format.
  - c. Vandalism: Contractor shall, within three (3) business days of any instance of suspected vandalism, provide the City date-stamped digital photographs, a complete statement of justification for repairs, a Police Incident Report Number, a Work Order Request Number, Equipment History Database Reference Number, and an estimated cost and time breakdown to complete the repairs.
  - d. Resource Conservation: Contractor shall prepare reports for the City with recommendations on energy and other resource conservation as warranted.

## 1.2 DOCUMENTATION

- A. All documents including but not limited to artwork, copy, posters, billboards, photographs, video tapes, audio tapes, systems designs, drawings, estimates, field notes, investigations, software, reports, diagrams, surveys, analyses, studies or any other original works of authorship created by Contractor in the performance of this Contract are to be and remain "works for hire", and the property of the City and all copyright ownership and authorship rights in the work(s) shall belong to the City. In the event that the work(s) that is/are the subject matter of this Contract is deemed to not be work for hire, then Contractor hereby assigns to the City all of the right, title and interest for the entire world in and to the work(s) and the copyright therein. Contractor agrees to cooperate and execute additional documents reasonably necessary to conform to its obligations under this paragraph. All documents, together with all unused materials supplied by the City, are to be delivered to the Airport Director upon termination of this Contract before the final payment is made to Contractor.

END OF SECTION

# **Exhibit “C” - Preventive Maintenance Program**

## DAIFUKU'S METHOD OF APPROACH TO SCOPE OF SERVICES

Daifuku's service philosophy focuses on the reduction of unplanned system stops (mechanical or electrical break down, baggage jams, equipment unavailability, etc.). Daifuku has detailed knowledge of the assets and all equipment in ELP, and therefore, is able to accurately estimate the time and effort required in its maintenance plan to adequately maintain your system. Enlisting a vendor that doesn't understand the intricacies of ELP who proposes minimum staffing and low bid pricing in their approach may not achieve the standards and KPI's required by The City.

Our staffing and maintenance strategy support ELP's performance objectives by adopting a dynamic maintenance approach considering operational requirements and condition of the system. Simply put, Daifuku adapted the schedules to meet emerging needs as they arise. The focus will be on delivering a service that supports achievement of performance KPIs, drives collaboration between our two organizations and delivers value for all stakeholders.

Daifuku has created a value-based proposal that competently addresses the needs of this site by providing enhanced wages to attract and retain the best qualified candidates for our team, optimal staffing and using the knowledge of the site gained as your current BHS O&M provider. We have priced our proposal to allow for merit and salary increases, additional training, IT support and, bonus potential for staff that outperform others and take on additional responsibility, which will, again, allow us to attract and retain above average personnel.

The expertise that Daifuku has gained while providing BHS O&M services at airport locations throughout the US has given us great insight into what is required to deliver optimal performance for your multi-matrix system. Our OEM specific experience acquired from over 13 years of operating, maintaining, and repairing Pteris systems at ELP and ELP has allowed us to develop an operations plan that achieves the best value impact, superior equipment reliability, response time and customer service.

**CUSTOMIZED APPROACH TO MAINTENANCE:** Our program measures recognize that equipment location, environment and workload significantly influence the amount of wear and tear it experiences, and if treated solely using PM schedules, would not be sufficient to maximize its reliability. Our solution in ELP is based on a methodical approach that utilizes unique data profiling against actual system history and then continuously adjusts the maintenance plan so problems never reach a systemic level and negative performance is corrected before it can significantly affect the operation.

Our maintenance methodology represents a comprehensive solution for the operation and maintenance of specialized airport equipment. In doing this ***we add value and quality through improved service and lower cost, an approach that is fundamentally different from many companies in the industry that simply offer a lower price, at the consequence of quality.*** There is a difference between the quoted price and the total cost over time, and we support our customers with an innovative approach that protects the best interests of our partners.

Our maintenance philosophy and approach strive to reduce unplanned disruptions to the operation and migrate these types of activities into planned activities (preventative or corrective) by:

- ☑ Allocating appropriate resource levels to support response times for faults and jams at Matrix locations that minimize any disruption to the operation. This is supported by our “Patrol based” approach by placing resources at critical locations within the system
- ☑ Ensure responders are managed and supported at local level during incidents; Proactive outward communication; Reduce likelihood of incident escalation.
- ☑ All activities including planned and unplanned, preventative, corrective and cleaning maintenance for all systems will be fully recorded within The City’s Maintenance Connection system
- ☑ Providing a transparent and robust recording and reporting mechanism. This will be based on a revised mutually agreeable list of reports.

ELP benefits by being part of the Daifuku operational network in that all sites share data and lessons learned so that we can continue to build a program that evolves and ensures we deliver on our continuous improvement agenda. Each individual airport program integrates our company’s best practices with those of our customers and delivers on our commitment to provide maximum operating performance with the following distinct values:

- ☑ Safe programs (OSHA compliance, industry best goals, achievements, and the incorporation of lessons learned)
- ☑ Delivering the lowest total operating cost, not “promise” the lowest quoted price
- ☑ Proven capability and experience with high technology BHS
- ☑ Efficiencies that enhance energy conservation, reduce parts usage and lower spares inventory Guaranteed PM compliance with optimal scheduling and knowledgeable use of the CMMS
- ☑ Maintain in-line screening systems to perform at peak system availability, read and sort accuracy
- ☑ Balanced Planned Maintenance, using OEM and real-world experience
- ☑ Volume purchasing for best selection and pricing of equipment spare parts
- ☑ Maximizing Equipment Life and reliability with strict adherence to proactive/predictive maintenance
- ☑ Full disclosure, open communication, no over-commitment
- ☑ Superior quality standards through ISO 9001-2015 certification at select airports
- ☑ Maintenance evolution through continuous improvement
- ☑ Training, ELS University (LMS), educational programs for employee development
- ☑ Highest customer satisfaction levels in the industry, verified by an independent third party

By actively listening to our customers and seeking feedback, we develop maintenance programs that match the specific needs of the location. ***IT IS THIS VERY PROCESS THAT ENABLES OUR OPERATIONS TO EXCEED THE PERFORMANCE METRICS AT EVERY CONTRACT WE HAVE WON BY IMPROVING SERVICE AND REDUCING THE TOTAL OPERATING COST.***



**PREVENTATIVE MAINTENANCE:** Performed on run time or calendar time and detects, prevents, or alleviates the degradation of equipment or systems to sustain or extend the useful life by slowing the rate of degradation. Our strong preventive maintenance compliance maximizes the life of the equipment when compared to a less attentive program. Preventive maintenance (lubrication, adjustments, etc.) will result in the equipment performing more efficiently leading to lower wear and tear and promote energy savings over time. However, optimal operational success will only be achieved when combined with our proactive and predictive maintenance techniques.

Preventative maintenance (PM) is primarily performed by the evening shift to minimize disruption of airline operations and reduce public visibility. PMs may also be scheduled on day shift when it does not affect airline demands. For new clients, our team provides comprehensive PM schedules for all equipment following review of the applicable maintenance manuals. If schedules are already established, we work with our clients to refine them to ensure we exceed expectations.

In addition, Daifuku has established enhanced PM work scopes for equipment identified as having an increased workload and/or data supports reliability concerns. It is also our approach to prepare the equipment for peak season demands by recommending the rescheduling of PMs in advance of high-volume utilization periods to maximize the reliability of the system. Daifuku utilizes extensive Preventive Maintenance (PM) programs at ELP, in compliance with the Original Equipment Manufacturers (OEM) recommendations and practices.

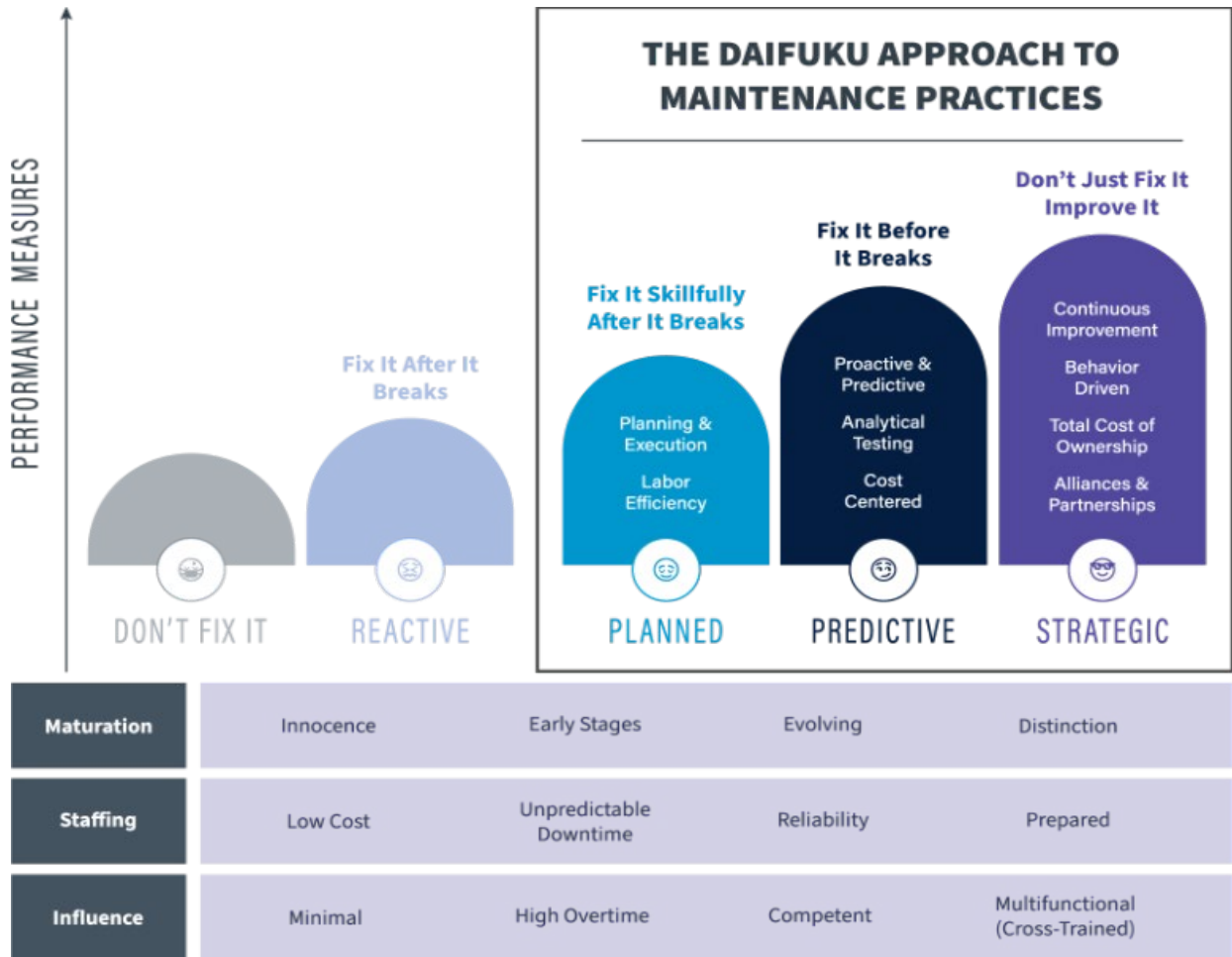
Daifuku will continue to improve its program by introducing new technology and practices into the maintenance service field. Our detailed PM program currently in place ensures your equipment, systems and subsystems are maintained at the highest level possible and are available for uninterrupted 24/7 service. We are committed to managing this PM program to ensure minimal unscheduled repairs and extend the life of the equipment. The result of an excellent, well planned Preventive Maintenance program is the cornerstone of the Daifuku Maintenance Plan.



- Elongates asset lifespan
- Reduced equipment or process failure
- Increased productivity, production, and profits
- Estimated 20% cost savings over reactive maintenance
- Energy Savings
- Increased worker safety

Daifuku's' Preventive Maintenance program consists of the following, but is not limited to:

- Utilizing MAXIMO to automatically generate work orders for scheduled inspections and preventive maintenance (inspections, lubrication, adjustments) daily
- Walk-Through/Inspections on all shifts using the "4 Senses" approach
- Non-routine maintenance repairs (correcting items before they fail)
- Achieving 100% PM compliance with the current PM schedule in place.

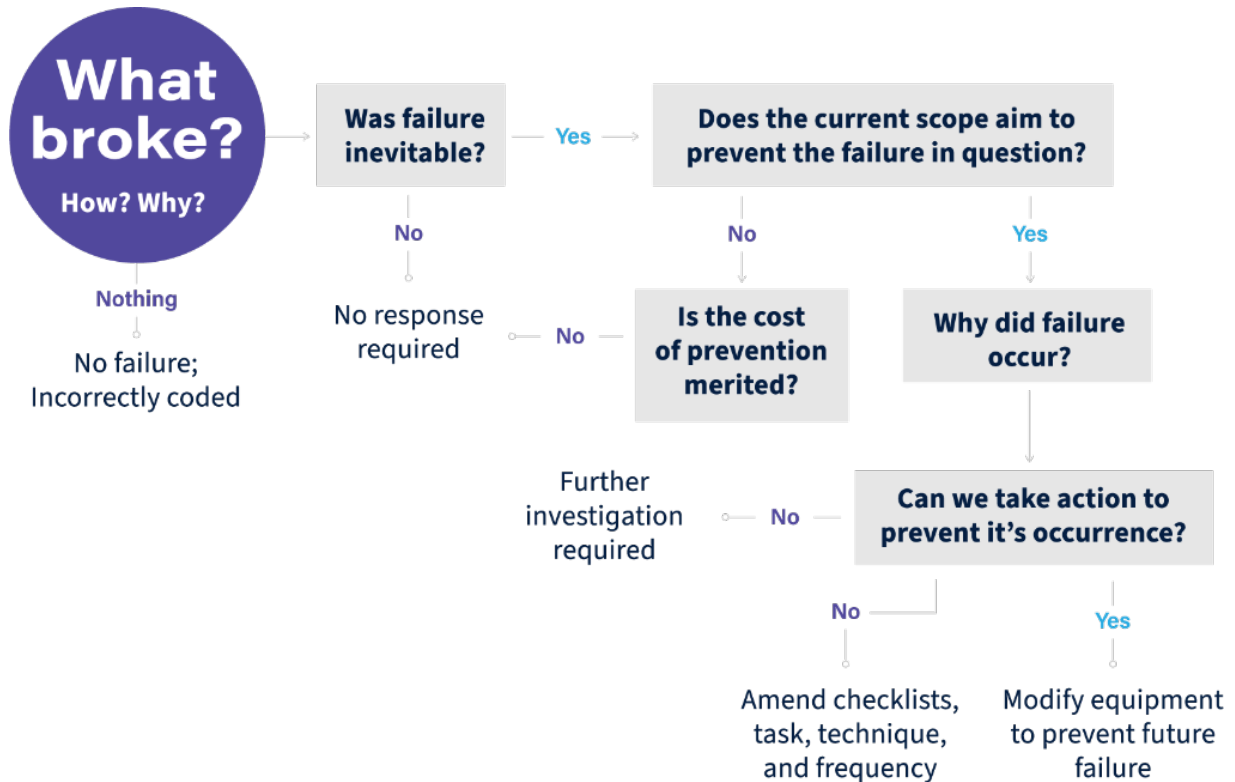


All BHS, and other mechanical equipment components found to be failing or defective (Observed during Daily Walk Through, Scheduled PM Service or items that fail during operations) are replaced/repared. Work orders are created in Maintenance Connection for all maintenance observations, adjustments, repairs, or replacement of parts along with the proper tasks required to ensure equipment longevity. The CMMS will create a history of all work performed on each asset, thereby allowing Daifuku to analyze past problems and steps necessary to correct/modify future problems. BHS Maintenance repairs are prioritized based upon the severity of the problem.

- 5- Immediate Repair (System down, Major safety concern)
- 4- Immediate Repair (Section down, System usable)
- 3-Down Time Repair (Section down, System usable; Repair made during down time)
- 2-3rd shift Repair (Repair made when system is shut down for the night)
- 1-Observe and document for possible future failure

*Daifuku Services continually strives to provide customer service excellence each day. We understand that our role as the O&M provider is as an extension of the ELP stakeholders that directly impacts the service offering to your customers, your reputation, and, ultimately, your bottom line. We take this very seriously.*

**REACTIVE MAINTENANCE:** Also known as the “run it till it breaks” maintenance mode, may be misinterpreted as cost effective in the short term, but it often leads to a greatly reduced equipment lifespan and higher long-term costs. Daifuku works to ensure that every effort is taken to maintain the equipment as the manufacturer/installer originally intended to ensure we maximize the equipment’s useful life. Daifuku holds to a specific, yet simple philosophy for its maintenance program:



**“We treat your equipment as our own.”**

ELP has a formal control room, however; control room functions for the BHS are monitored by rotating staff at various locations throughout the operation. Team members are trained to monitor the system for alarms and give immediate details and directions to other technicians for an efficient response to any matters affecting equipment availability. Depending upon the classification, this may require dispatch of the appropriate technicians or jam runners via radio to resolve incidents such as jams, missing bag jams, security door faults, diverter positioning faults, etc. They will also perform system configuration management for optimal capacity balancing, monitor airline make-up units as necessary, and oversee start-up against the procedural check list to validate that system operational performance is smooth and alert free.

Staff are also responsible for management of the BHS user interface controls to mitigate the effect of any malfunctioning equipment, and whenever possible, institute approved procedures to direct efforts in the routing of baggage to operational conveyors to minimize the effect of a partial system outage. This process requires coordination with the TSA whenever EDS machines or security



spur lines are affected. Any outstanding discrepancies are handed off in the end of day report so that corrective action is performed during subsequent maintenance shift.

**SCHEDULED REDUCTION OF BAG JAMS** – With the heavy flight loads that come through ELP, and the potential of the system to jam, Daifuku continually works with the airlines on multiple plans to improve the bag loading process.

Daifuku regularly hosts quarterly Bag Hygiene training for airport and airline personnel. We recognize how valuable bag hygiene is for keeping your system moving, and we also understand that because airline personnel transfer to and from different locations, it is important to provide this training on a schedule where everyone inducting bags into the system can benefit from it. We currently provide multiple bag hygiene trainings annually in ELP, and there has been a significant improvement in the way bags flow through the system.

**SPARE PARTS:** Daifuku has established a best practices approach to inventory management that has been developed over many years of operational experience. It is designed to have the optimum numbers of spares to consistently meet the evolution of the equipment from new to stable and mature stages. We have demonstrated significant savings in our programs utilizing Bar Coding and other techniques on site. It is essential that spares inventories be constantly evaluated against demand and that spares are matched to the predicted consumption life cycle of the system. The CMMS produces inventory management reports and trigger purchase orders for parts purchasing at the pre-established stocking levels that are developed for the system.

Another consideration is ensuring that sufficient inventory is maintained for those critical items that have a long lead time. This approach makes sure that the inventory needed to support the equipment is on hand and is replenished against actual system demand. All spare part requirements needed to keep the equipment operational will be set up with a minimum / maximum quantity level based upon the recommended parts list and system usage.

Parts are reordered when minimum levels are reached. All specialty items (items not available locally or have a long lead time) are ordered when used. Daifuku will check inventory needs to identify parts availability and will validate purchase history to determine if we can source at better pricing. Before parts are ordered, Daifuku typically requests three individual quotes from vendors. Effective May 1<sup>st</sup>, 2024, Daifuku Services oversees a dedicated parts team for all of our sister companies in North America. This has increased our buying power substantially overnight.

With an **annual budget exceeding well over \$100mm for the purchase of parts** in North America, Daifuku is able to source and procure parts directly from manufacturers of which we have strong purchasing agreements, thus allowing us to consistently pass on larger discounts to our sites. This allows our sites the flexibility to truly find the best price by obtaining quotes from our in-house parts team who now represents all of Daifuku North America, as well as 2-3 alternate vendors. While this is a new program for our customers, we assure ELP that you will see the difference as we pass the savings on to you.

As mentioned above, at program startup, we review the OEM recommended spare parts lists and compare against our experience and usage history to determine if there should be changes to either the mix and or quantity of parts needed and kept on hand. This usually results in not only a reduction but a better inventory of useable parts that greatly reduces spare part costs.



Once the inventory list has been validated and approved, it is entered onto the system. All parts are labeled and categorized by Row-Bin-Shelf. The system identifies quantity and location for quicker access to parts. We manage optimal stocking levels, procure, handle and issue parts so they will be available during a repair task or when needed. We approach inventory with an emphasis on accountability and cost, and track from purchase to installation to ensure:

- ☑ All parts are securely stored.
- ☑ Removed parts are recorded and usage is verified weekly against respective work orders.
- ☑ All parts removed are assigned to a work order created by the CMMS.
- ☑ Weekly "ABC" cycle counts
- ☑ Full physical inventory checks are completed a minimum of twice annually.
- ☑ Evaluate usage against inventory levels ensuring correct quantity of parts are on hand
- ☑ Lower cost by maintaining optimum quantities, volume pricing and consolidated shipping.
- ☑ Identify each component by location, vendor, PN, manufacturer, cost, description, etc.
- ☑ Identify if parts are in stock, and if predetermined minimum inventory thresholds are reached
- ☑ Parts are tracked from the time they are ordered through their entire life cycle.
- ☑ Utilize expansive supplier network and sister BHS and PBB companies to expedite parts for emergency requirements.

## BARCODING OF SPARE PARTS

Daifuku utilizes Spare Parts Barcoding to facilitate a more efficient inventory management process, decreasing the time it takes to receipt parts while significantly improving the accuracy of the inventory on site. Using a wireless scanner for electronic posting and receipting, we can manage orders, physical and perpetual inventories, and update your parts inventory automatically.

Handheld scanners gather information about parts transactions: when and where issued, employee number, work order and pick ticket numbers. Using barcodes speeds up the process rather than adding another layer of parts activity. Our technicians simply:

- ☑ Check the parts inventory and issue the part
- ☑ Scan the part, the paperwork, and the employee ID

Unused parts get back in the system quickly:

- ☑ Parts personnel scan them back in
- ☑ Parts are immediately restocked to the bin listed on the barcode label

Changes are reflected immediately. Restocking and high usage alerts can be generated in a timely manner, avoid guessing, delays, and missing parts. It also allows real-time postings for receipted parts and bin changes. Some of the additional benefits include:

**TRACKABILITY:** We can retain months of order history and transactions resulting in easier research and virtually eliminating the need to sift through paper.

**EFFICIENCY:** Reduces the time needed to conduct physical and perpetual inventories by 50% or more, all while improving accuracy.

**SEAMLESS:** This method updates the inventory automatically when a part is scanned, eliminating the need to rekey information

**REAL-TIME:** All orders are recorded in real time mitigating any time lapses in part documentation

The Bar-Coding Process has created a simple yet effective tool that assists our local site team employees manage parts with higher efficiency, less physical labor & time management, and cost savings to our customer due to better tracking accuracy, thus mitigating the over purchase/stocking of parts on site.



# **Exhibit “D” - Organizational Chart and Staffing Plan**

## PROPOSED STAFFING PLAN & SCHEDULE

A successful maintenance program involves proper monitoring to direct resources to the right area, at the right time, to pre-empt a failure and respond quickly when a failure does occur. Proper maintenance of the BHS & PBB is essential to accurately prioritize maintenance tasks and develop a “reliability” culture across the whole operation. Our maintenance approach ensures all key metrics are achieved, such as system availability with the highest possible tracking accuracy.

Daifuku applies a predictive maintenance approach that includes the analysis of specific components, costs, and their respective functions within the system.

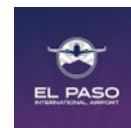
Equipment	Task
ATRs	Daily inspections and cleanings will be done to ensure proper scanning.
Bag Piers	Regular checks will be performed to make sure there is no structural damage, and the units operate safely.
Fire & Security Doors	Daily walkthroughs to perform checks on doors and cleanse photo eyes or remove acculated debris, if needed.
HSDs	Inspected daily to check for abnormal noises or signs of fatigue.
Merge Belts	Daily inspections will be conducted, along with root cause analysis to reduce jams.
Motors	Daily inspections will be performed, checking for noise and temperature variances.
Power Turns	Observed daily and inspected for abnormal wear and adjustment issues.
VSU	Inspected daily, with weekly checks for tension and slippage.

Daifuku has detailed knowledge of the assets and all equipment in ELP, and therefore, is able to accurately estimate the time and effort required in its maintenance plan to adequately maintain your system. Enlisting a vendor that doesn’t understand the intricacies of ELP who proposes minimum staffing and low bid pricing in their approach may not achieve the standards and KPI’s required by The City.

Our staffing and maintenance strategy support ELP’s performance objectives by adopting a dynamic maintenance approach considering operational requirements and condition of the system. Daifuku adapted the schedules to meet emerging needs as they arise. We focus on delivering a service that supports achievement of performance KPIs, drives collaboration between our two organizations and delivers value for all stakeholders.

To Daifuku, customer service excellence is more than just performing the basic minimum requirements to fulfill a contractual obligation or achieve status quo; it is continually striving to surpass expectations in every aspect of the operation. Providing excellent customer service is at the core of all we do as a service organization. To ensure Daifuku attracts and retains staff who possess the professionalism, core values, and competencies needed to meet Daifuku standards, we have priced our solution accordingly.

We are mindful of the challenges in creating a realistic price proposal while also allocating adequate funding to engage qualified staff. Having stated this, we have Increased salaries using



credible and realistic local market and industry wage rates to reflect an ever increasing highly competitive market environment. Our imperative is to attract and retain the best and most qualified technicians & skilled labor with the required skill set to perform the responsibilities and tasks of the SOW. Our aim is to ensure that our employee compensation plan allows for a proper balance between talent retention and contract execution, while being a good steward of The City's maintenance budget and overall cost of ownership of the BHS & PBB.

During incumbency under the current contract, Daifuku has comprehensively analyzed, scrutinized, and reviewed every detail that impacts our ability to perform the SOW effectively. We've learned what it takes to perfect the BHS program, concluding that the RFP submittal is an opportunity to adjust resources to consistently complete all O&M tasks safely, effectively, and efficiently. With the inclusion of the PBB scope we adjusted resources to the current operation. This supports our commitment to the success of The City and all stakeholders at the ELP airport for the foreseeable future.

Daifuku's approach in creating a staffing schedule to operate, maintain and repair BHS & PBB, is to analyze inbound and outbound flights to calculate the optimal area coverage for technical/operational zones. Performing these functions is fundamental to developing an O&M program that is effective, yet affordable. Our comprehensive analysis ensures that our proposed O&M program is most suitable and efficient. Our recommended staffing plan is formulated on the following:

- ☑ **FLIGHT GRAPH ANALYSIS – PEAKS & TROUGHS – EBB & FLOW OF OUTBOUND FLIGHTS**
- ☑ **ASSET DATA – CORRECTIVE & PREVENTIVE MAINTENANCE / SPARE PARTS MANAGEMENT PROGRAM**
- ☑ **ZONING ANALYSIS – TECHNICAL & OPERATIONAL / TERMINAL LAYOUT – TIME OF DISTANCE**
- ☑ **SCHEDULING REQUIREMENTS – DAILY COVERAGE**

When creating our staffing schedule for ELP, we apply the following analytics to design a cost-effective solution that meets or exceeds your performance requirements:

- ☑ **ASSET MANAGEMENT – PROPER CALCULATION OF PREVENTIVE AND CORRECTIVE MAINTENANCE HOURS**
- ☑ **TERMINAL LAYOUT – ACCURATE UNDERSTANDING OF TRAVEL TIMES SO OPERATIONAL DUTIES (MANUAL ENCODING, JAMS, ETC.) CAN BE COMPLETED WITHIN THE APPROPRIATE TIME**
- ☑ **STUDY OF DAILY FLIGHTS – IDENTIFY THE EBB AND FLOW OF DAILY FLIGHTS BOTH OUTBOUND AND INBOUND**
- ☑ **SHIFT SCHEDULE – ENSURING RESOURCES ARE PROPERLY DEPLOYED AND ADEQUATE COVERAGE IS AVAILABLE**

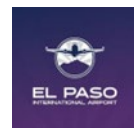
Our staffing plan is allocated to support a 24/7/365 operation now that PBB have been added to the SOW and allows for all monthly, quarterly, semi-annual, and annual preventive maintenance

tasks to be performed beginning at 0300 hours and throughout the operation as long as there is no interference with airline operations. On the occasion the airline’s operational requirements are reduced and allow for us to shut down half of the system early, part of the system may be available at 6:00PM to begin preventative maintenance. The site team will contact the airlines and request permission from The City prior to making any changes to the BHS schedule. These hours are subject to change should the Airlines have international flights, late night arrivals and midnight departures. Corrective maintenance repairs may be performed during operational hours and as required.

Currently, we are staffed with 8 Full Time Equivalent (FTE) and 1 part time Jr. technician and have managed to perform the O&M effectively, however, we are adding 1 Senior Technician and 1 Maintenance Technician to assist in covering the new PBB SOW and accommodate the additional passenger volume anticipated to grow at ELP. Additionally, with the added team members and PBB SOW, we are converting Oscar Apodaca from Senior Technician to the role of Lead Senior Technician.

PROPOSED ELP O&M FULL SITE TEAM STAFFING		
TITLE	NUMBER	COVERAGE
Site Manager	1	0700-1500 Mon-Fri   On call 24/7
Lead Senior Technician	1	Varies *
Sr. Technician	3	Varies *
Technician	1	Varies *
Junior Technician	5	Varies *
TOTAL 11		

The following pages display a Sample Schedule of Daifuku’s proposed schedule by day of the week on a 7-day rotation and brief descriptions of the activities of the individual job category:



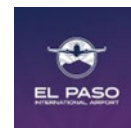


Core Personnel							
Position	Sun	Mon	Tue	Wed	Thu	Fri	Sat
Site Manager		0700-1500	0700-1500	0700-1500	0700-1500	0700-1500	
First Shift							
Position	Sun	Mon	Tue	Wed	Thu	Fri	Sat
Senior Tech				0300-1330	0300-1330	0300-1330	0300-1330
Senior Tech	0300-1330	0300-1330	0300-1330				0300-1330
Junior Tech	0300-1330	0300-1330	0300-1330				0300-1330
Junior Tech	0300-1330	0300-1330	0300-1330	0300-1330			
Junior Tech		0300-1330	0300-1330	0300-1330	0300-1330		
Second Shift							
Position	Sun	Mon	Tue	Wed	Thu	Fri	Sat
Lead Senior Tech	1300-2330	1300-2330	1300-2330	1300-2330			
Senior Tech				1300-2330	1300-2330	1300-2330	1300-2330
Tech		1300-2330	1300-2330	1300-2330	1300-2330		
Junior Tech	1300-2130		1300-2130		1300-2130	1300-2130	1300-2130
Junior Tech	0900-1930	0900-1930					0900-1930

**SENIOR LEAD TECHNICIAN**– Oscar Apodaca will take on the role as Senior Lead Technician and will be a working mechanic. He will be stationed throughout the system monitoring equipment performance, providing leadership and guidance to technicians, and performing repairs as needed. He will also have the authority to make decisions that may impact the operation when the Site Manager is not on duty (the site manager is on call 24/7 every day and will be available when necessary).

**TECHNICIANS** – Our technical experts will be assigned to different areas of the system for the performance of maintenance, repairs, inspections, and audits. Areas with larger baggage volumes will have a higher number of personnel assigned, to mitigate system disruption and ensure continuous bag flow. Daifuku technicians work in teams of two, especially during the performance of heavy maintenance and repairs, to both safeguard against injury and provide hands on training to junior personnel. At least one of our seasoned veteran PPB technicians will be paired with a teammate on each shift for safety purposes and to lend expertise on PBB maintenance activity.

The Junior Technicians will work on less advanced and demanding repairs but will also be available to assist other technicians on any other functions when need be. Junior Technicians will initially respond to the majority of PBB calls (since approximately 80% of the activity is for operational “operator nuisance” calls, however, if the incident requires a more experienced technician, it will be handed off immediately.





**DAILY INSPECTIONS** – In addition to individual asset inspections, and multiple weekly inspections, full BHS walkthroughs will be conducted daily. Each shift will have a section or conveyor system that they are assigned to inspect to detect any mechanical irregularities in operations. Making early detections affords Daifuku the opportunity to execute preventative measures versus performing a reactive repair, and aids in reducing system down time.

**BAG PIER MONITORING** – Daifuku has operations staff monitor the bag piers, which is key to ensuring that bags get where they are going on time. If piers are loaded up with bags an overload could occur on the system, or the bags could pile on top of each other and lead to jams or cause bags to fall on the ground and miss their flight. Our jammers will watch for such occurrences and help by taking the excess bags off the pier, setting them carefully next to the pier to keep it clear and then contacting airline personnel or airport operations to advise of the situation. This will significantly reduce the chance of system stoppage.

**SYSTEM CLEANING** – In our vast airport experience, Daifuku has observed the use of leaf blowers on floors and around the conveyor. While this is a quick way to clean, it hinders the system by blowing dirt and debris into the air where it covers your photo eyes, reflectors, and other reading devices - highly increasing the likelihood of bag jams. To lower the chances of this happening, our personnel clean the system with shop vacs, mops, and brooms. We will also put a special focus on inspecting and cleaning all photo eyes and reflectors in the system.

**MERGE BELTING** – Transitions in the conveyor are where the bulk of jams occur, due to gaps in the belting allowing for items to be sucked into the system. To combat this, Daifuku technicians will salvage scrap belting that would have otherwise been discarded, cut a 4-inch-wide piece, and rivet it across the gap. This will minimize the ability for zippers, straps, etc. to get caught in the opening, and contribute to the reduction of bag jams.

## **CROSS UTILIZATION**

Daifuku has broadened its knowledge base and enhanced its focus to better fulfill the needs of The City, TSA, airlines, etc., as a customer centric O&M service company, driven to provide the lowest total cost of ownership in the industry. We constantly look to add value to our programs by targeting reduced cost through successfully managed program resources such as: cross utilization of technicians, data analytics, energy conservation, and effective communication. This balanced approach provides a daily return on our customer's investment and ensures that as an organization we will exceed your expectations.

Cross utilization and training for different job requirements also benefits the team by staffing more efficiently and by having the ability to have employees qualified on other equipment types to meet the need should an unexpected problem occur. Additionally, by rotating personnel every few hours, they remain engaged and won't become bored or lackadaisical when performing their assigned duties.

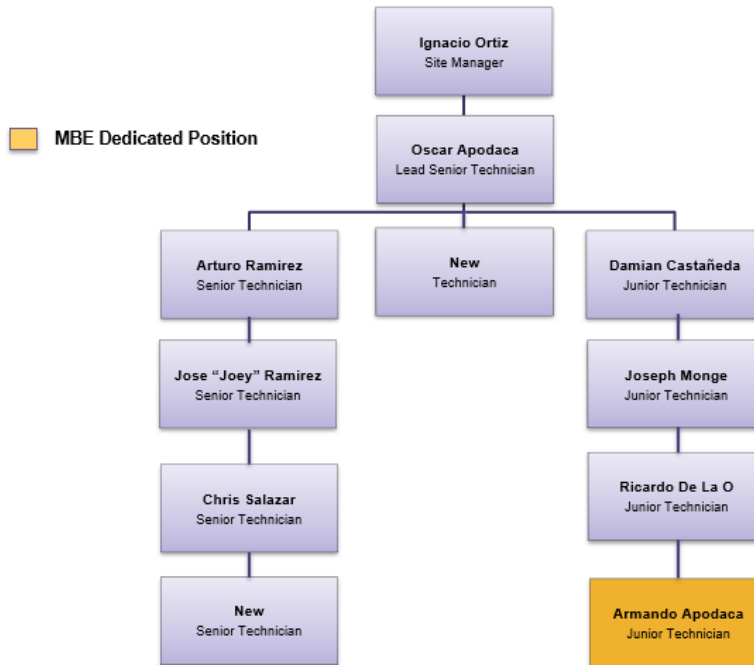
Our proactive approach to systems maintenance greatly mitigates the risks associated with system failure and the associated cascading effect. Our contingency methods will ensure that any event will be met with the response necessary to minimize the operational impact. We recognize that our future success will continue to be built upon the ability of our programs and employees to make a positive contribution each day. We will further establish ourselves as the company against which all others are measured by seeking out innovations, continuous improvement and constantly raising the benchmarks within the airport industry that lead to a better value option. Our integrated and flexible programs will continue to evolve to allow our customers to build their business and secure their long term operational and commercial success.

Daifuku removes the volatility that can be associated in delivering a consistently high level of service. Our leaders don't just sit in an office, they are leaders who fortify our staff of mechanics and routinely provide hands-on training to the newer technicians.

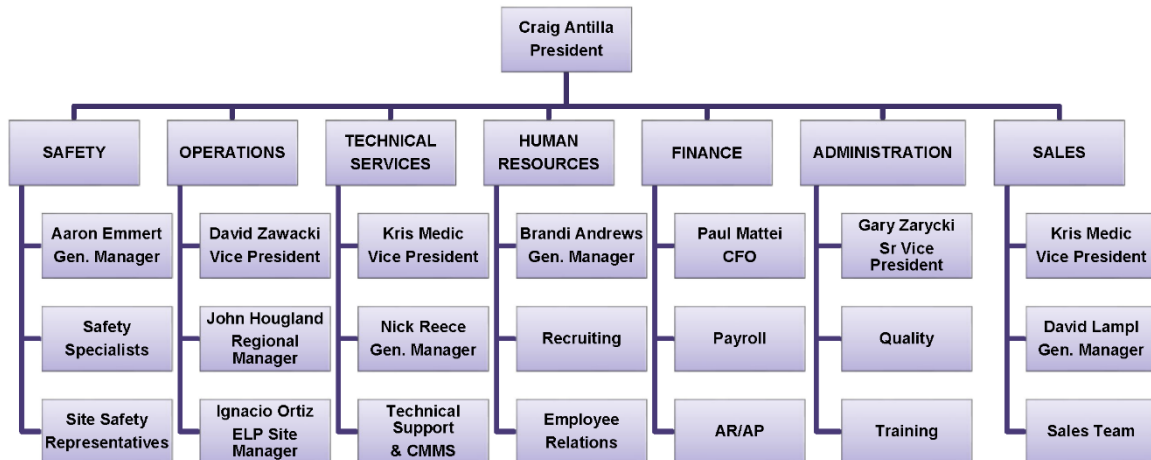
A clear benefit of continuing with the Daifuku network is the sharing of systemic best practices, data and lessons learned so that we can continue to build a program that evolves not only through its own data, but that also ensures we deliver on our continuous improvement agenda. Each individual airport program integrates our company's best practices with those of our customers and delivers on our commitment to provide maximum operating performance and the following values:

- ☑ An established network of knowledge, skillsets and important industry contacts spanning North America, call upon at a moment's notice
- ☑ Safe programs (OSHA compliance, industry best goals and achievements and the incorporation of lessons learned)
- ☑ Delivering the lowest total operating cost, not "promise" the lowest quoted price
- ☑ Proven capability and experience with BHS, PBB, GSE and other technologies
- ☑ Efficiencies that enhance energy conservation, reduce parts usage and lower spares inventory & purchasing for best selection and pricing of equipment spare parts
- ☑ Guaranteed PM compliance with optimal scheduling and knowledgeable use of the Maximo CMMS
- ☑ Maintain in-line screening systems to perform at peak availability, read and sort accuracy
- ☑ Balanced Planned Maintenance, using OEM and real-world experience
- ☑ Maximizing Equipment Life with strict adherence to proactive/predictive maintenance
- ☑ Full disclosure, open communication, no over-commitment
- ☑ Superior quality standards through ISO 9001-2015 (airport level certification)
- ☑ Committed to employing and retaining a highly skilled and stable workforce
- ☑ Training, Daifuku University (LMS), educational assistance programs for employee development

## ORGANIZATIONAL CHART – CURRENT

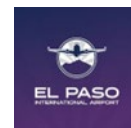


## DAIFUKU CORPORATE TEAM



**KEY PERSONNEL:** To successfully develop a strong and trusted business relationship with our customers, it is essential that we deliver program leadership, system knowledge and open communication. Daifuku is successful because we understand the value that these principles provide to our customers by delivering maintenance performance, value, and lowest cost of ownership. It is our practice to only hire team leaders who share the same customer service values as our corporate culture and policy, as this delivers consistency and quality.

**2024-0450R - El Paso Airport Passenger Boarding Bridge and Check Baggage Inspection System Maintenance**



“People are our Foundation” is not just a Core Value, it’s a practice we promote daily to our teams. We have successful O&M programs because we invest in the right individuals to manage the operation. Our Site Manager Ignacio Ortiz, is the primary point of contact and will attend meetings, planning sessions, and will also be in regular contact with all direct and indirect customers including The City, TSA, CBP, ICE, Police, Airport, and other entities.

Ignacio has a clear and detailed delegation of responsibility that includes a defined set of key performance metrics (which includes customer satisfaction). This role coordinates shift activities, provides oversight, organizes team meetings, ensures maintenance continuity, mentoring and career development. Additionally, he has immediate access to all of the company’s proven and extensive resources within our airport operational network in order to ensure exceptionally high service levels. Ignacio is equipped with the resources, clear guidelines, policies, and procedures to run the operation with a significant degree of autonomy so that local decisions are both thoughtful and efficient. Our goal is to hire and retain highly competent employees, who are empowered through personal and technical training, management tools, as well as local and corporate support to get the job done.

Daifuku also believes that investment in our people only stands to benefit our mutual success. As your service provider for the past 5 years, we have invested in key individuals, and many from ELP have grown with us. Our Regional Manager, John Hoghland, maintains the responsibility for contract performance, program oversight, service levels and will schedule regular visits to meet with The City and Daifuku operations personnel. Regional and Corporate Management receive monthly statements from Ignacio for review and advise and direct on any corrective actions needed to ensure the delivery of high-quality services. Once again, when developing a strong and trusted business relationship, it is essential that program leadership, system knowledge and regular and open communication is provided.

We have been successful because we understand the purpose that these principles achieve in delivering a robust and competent maintenance program, value, and lowest cost of ownership. In preference to only hire contract-specific team leaders who share the same high service values as our corporate culture and policy, the Site Manager and Supervisors are immediately available (cell, radio, email) to deal with any customer service matters. Should this not meet the needs of the requestor, it can be escalated to Mr. Houghland who has corporate responsibility for activities for the operation.

The following pages are representative of the local ELP leadership team currently on site we are immensely proud of the job they do every day. In addition to providing background on our Site Manager, Ignacio Ortiz, we also want to highlight Oscar Apodaca who, along with all our team members, are instrumental in contributing to the service excellence and many successes achieved in ELP day in and day out.

## QUALIFICATIONS OF DAIFUKU'S SITE MANAGER IN ELP



**IGNACIO ORTIZ – SITE MANAGER:** Since joining Daifuku as the Site Manager in 2020, Ignacio's presence during his time as the O&M Site Manager has been nothing short of exemplary. By leveraging his supervisory experience and material handling expertise, Ignacio's tenure is marked by decisive leadership along with unparalleled customer service, demonstrated during maintaining uninterrupted operations. In his role, Ignacio continues to provide strong leadership and inspiration to his team, proving to be a trusted partner to all stakeholders within the ELP airport community.

Prior to joining Daifuku, Ignacio was the warehouse Manager at DHL Global Handling, where he oversaw a team of approximately 37 employees. During his time at DHL, Ignacio was able to implement multiple measures that increased productivity, revenue, and operational efficiencies, culminating in his site to be named the #1 site in the South Border Region several years in a row.

As the Terminal Distribution Manager at Western Refining, he was able to impact revenue positively by implementing operational improvements and efficiencies there as well. He developed and generated policies that brought the companies' inspection compliance within a near perfect score from 26 infractions to 2.

Utilizing his past experiences, and as the Site Manager in ELP, Ignacio has developed strong leadership and decision-making skills that are evident in the way he manages his team. His dedication to "doing things right" is inspiration to his team and exemplifies his ability to drive excellence from his team. Ignacio is fully authorized to act on behalf of Daifuku to carry out all provisions of our contract with the City of El Paso.

Under Ignacio's guidance, as part of Daifuku's Global Innovation competition, the ELP team designed, created, and implemented new tools to better support our technicians in various facets of their operation (as highlighted in the Small Gorp Activities portion of this proposal).

We are grateful to have Ignacio as part of the Daifuku team and trust The City and all stakeholders at the ELP airport, feel the same as well.

## IGNACIO ORTIZ-SITE MANAGER

### -- Summary--

Ambitious and dedicated Operations & Maintenance Manager with strong leadership skills. 15+ years of employee oversight with an emphasis in technical management, financial reporting, team administration safety, training, and lean maintenance principles. Provide technicians with guidance and support to ensure a safe and efficient work environment.

### RELATED EXPERIENCE

#### SITE MANAGER • DAIFUKU SERVICES ELP • EL PASO, TX

2020-PRESENT

- Responsible for all business decisions on site, including budgeting, financial reporting, accounts payable, accounts receivable, general ledger, capital expenditures, payroll, and other financial activities necessary to maintain financial overview of the location.
- Oversee all employee activities to include scheduling, training, safety meetings, employee reviews, etc.
- Monitor the Company's Quality program in the station and ensure conformity and implementation of standards.
- Motivate employees to take ownership of Operations & Maintenance program to deliver operational excellence
- Ensure compliance with applicable OSHA, TSA, State, Local, and Company safety laws, regulations, policies, and procedures on site and at any remote job site. Coordination of safety matters with Company Safety Officer.
- Enable work continuity with seamless shift transitions through clear and effective communication of work status to include in-progress operations, as well as completed tasks.
- Develop positive relationships with maintenance technicians and airline management personnel through demonstrated technical proficiency and professionalism.
- Responsible for adherence to Company training programs.

#### WAREHOUSE MANAGER • DHL GLOBAL FORWARDING • EL PASO, TX

2018-2019

- Oversaw the day-to-day operation for all warehouse activities while increasing efficiency on movements per m/h from 20 - 35
- Responsible for the effective performance of 35 warehouse associates and 2 Supervisors
- Increased capacity in bonded warehouse by 40% in rearranging levels of racks and reorganizing aisles.
- Identified and saved \$42K per month of operational costs by adding two shrink-wrap machines, which allowed us to optimize our manpower and have better control of our consumables.
- Effectively complied with Customs, TSA, IATA, NAFTA, CTPAT, ISO regulations throughout ELP station.
- Responsible for constant improvement and optimization of El Paso Warehouse station #1 in South Border Region for Kaizen submittals and completions with 56 for 2018 and 110 for 2019.
- Successfully coordinated with Air, Ocean, Domestic and South Bound departments for the elaboration of the Cross Dock schedule.
- Responsible for performance, safety and security of building and equipment
- Effective management of monthly, quarterly, and yearly P&L

#### TERMINAL DISTRIBUTION MANAGER • WESTERN REFINING • EL PASO, TX

2016-2018

- Planned, coordinated, and supervised operations while maximizing profitability Was able to increase monthly revenue by 20%, by effectively utilizing PeopleNet tool and adding an additional route to all drivers.
- Ensured on-time deliveries to customers, resulting in 0 run outs for 2017 & 2018. Dispatching a fleet of 25 drivers, power and train equipment. DOT 2541667, MC888756
- Prepared quarterly and yearly forecast/budget for cost and operational analysis. Effectively reduced the operational costs of the GL line by implementing a PM program with local vendor and eliminating repair costs vs preventive costs, realizing a reduction of 70% in costs.
- Worked with purchasing for the best option on purchasing equipment and products. Increased local vendor portfolio and eliminating S&H costs allowing us to identify savings of 20k annually.
- Ensured all operating equipment meets and/or exceeds compliance for governing agencies decreasing the number of findings in official inspections by DOT from 26 to 2.

### EDUCATION

**Business Administration** - University of Phoenix - Present





**OSCAR APODACA – LEAD TECHNICIAN:** Oscar joined the Daifuku team in 2018 as a Senior Technician and will move into the role as a Lead Senior Technician. In this role, Oscar will continue to conduct maintenance activities but will also take on an expanded leadership role in support of Ignacio Ortiz. As an experienced technician and with the addition of PBB as part of the scope of work, Oscar will provide his knowledge and expertise in guiding and mentoring the team on all maintenance activities.

Oscar began his technical career by participating in the IBEW Electrical Apprentice Program where he received his Electrician Certification License. Over many years as a Journeyman electrician, Oscar's duties included maintenance and repair and installation of electrical systems, power distribution systems, and associated equipment.

As a Senior Technician with Daifuku in ELP, Oscar has performed both electrical and mechanical work on the BHS, conducted PLC programming, as well as trained and mentored junior technicians on how to perform tasks on the BHS.

Oscar is very well respected by his peers and will provide an additional layer of support and leadership to the team.

## OSCAR APODACA-LEAD SENIOR TECHNICIAN

### -- Summary--

Ambitious and dedicated maintenance Journeyman Electrician with extensive knowledge the ELP BHS operations and maintenance facility. Highly proficient in operating, maintaining, and troubleshooting the systems and associated equipment. Over 30 years of licensed electrical experience

#### RELATED EXPERIENCE

##### SENIOR TECHNICIAN • DAIFUKU SERVICES AMERICA ELP • EL PASO, TX 2018-PRESENT

- Maintain and troubleshoot all conveyor systems, both electrical and mechanical
- Provide troubleshooting in PLC programs (ladder logic, components, and communication modules.)
- Provided positive working relationships across all levels in the organization
- Conducted regular inspections and preventive maintenance to ensure optimal system performance
- Trained and mentored junior technicians in the operation and maintenance of baggage handling systems
- Ensured compliance with all ELS safety programs, policies, and procedures

##### JOURNEYMAN ELECTRICIAN • JAG ELECTRIC • EL PASO, TX 2018-2018

- Completed tasks related to the repair, maintenance, and installation of electrical systems. Installed, maintained, and troubleshooted power distribution systems, branch circuits, lighting systems, transformers, and various wiring methods and materials.
- Set up wires, install new fixtures, and troubleshoot systems until the correct solution is implemented
- Read electrical blueprints and schematics
- Performed diagnostic tests to assess the nature of specific electrical problems
- Use a variety of tools and techniques to solve the electrical problems of our clients
- Follow all state and local regulations for electrical work as defined by the National Electrical Code
- Ensured compliance with all safety programs, policies, and procedures.

##### JOURNEYMAN ELECTRICIAN • INTERNATIONAL ELECTRIC • EL PASO, TX 2015-2018

- Completed tasks related to the repair, maintenance, and installation of electrical systems. Installed, maintained, and troubleshooted power distribution systems, branch circuits, lighting systems, transformers, and various wiring methods and materials.
- Set up wires, install new fixtures, and troubleshoot systems until the correct solution is implemented
- Read electrical blueprints and schematics
- Performed diagnostic tests to assess the nature of specific electrical problems
- Use a variety of tools and techniques to solve the electrical problems of our clients
- Follow all state and local regulations for electrical work as defined by the National Electrical Code
- Ensured compliance with all safety programs, policies, and procedures.

##### JOURNEYMAN ELECTRICIAN • MOUNTAIN ELECTRIC • EL PASO, TX 2000-2015

- Completed tasks related to the repair, maintenance, and installation of electrical systems. Installed, maintained, and troubleshooted power distribution systems, branch circuits, lighting systems, transformers, and various wiring methods and materials.
- Set up wires, install new fixtures, and troubleshoot systems until the correct solution is implemented
- Read electrical blueprints and schematics
- Performed diagnostic tests to assess the nature of specific electrical problems
- Use a variety of tools and techniques to solve the electrical problems of our clients
- Follow all state and local regulations for electrical work as defined by the National Electrical Code
- Ensured compliance with all safety programs, policies, and procedures.

#### CERTIFICATIONS

- **IBEW Electrical Apprentice Program** - Electrician Certification License - 1990-1995



## DRESS CODE AND UNIFORM

Every person associated with the Daifuku is expected to maintain a standard of good taste, good judgment, and moderation always. Additionally, employees are expected to dress appropriately to convey a professional image to the Company's customers and the public. Hairstyles, clothing, and jewelry should all conform to standards of professionalism, cleanliness, and safety. The important point of the dress code is that each of us needs to always maintain a professional appearance during the business workday. If in doubt, it is best to err on the side of formal instead of casual.

Each employee is required to wear the Daifuku uniform provided by management, to include safety vest, safety toe leather work boots and bump cap or hard hat in applicable areas. Laundry service may be available at some sites. Uniforms are to be always worn during a shift; visible jewelry is to be removed. Uniform consists of the following: - Uniform pants and uniform shirts - Daifuku baseball cap with bump cap insert - Daifuku jacket - Daifuku Safety Vest

## STANDARDS OF CONDUCT

Daifuku observes certain specific rules of conduct and violations of these rules may lead to disciplinary action up to and including termination. Certain situations may arise in the operation of the company that require application of immediate disciplinary action, including immediate termination. The following list are examples of some, but not necessarily all, types of intolerable misconduct:

- Excessive absentee and/or tardiness
- Absence without notification or acceptable excuse
- Not calling in absent before normal start time or not showing up for work
- Unauthorized absence from the workstation during the workday
- Soliciting, collecting funds, or selling merchandise or services on company premises without authorization
- Use of personal cell phones during working hours and in work areas (i.e. control room) -
- Disregard or violations of safety rules/regulations.
- Failure to report a work- related injury
- Performing work of a personal nature during working hours without permission
- Any act of insubordination or other disrespectful conduct
- Any act of dishonesty; lying - Engaging in or provoking disruptive behavior. Includes fighting, intimidating, threatening, coercing behavior, or physically attacking a person.
- Damaging Company property or the property of another. Includes negligence or misuse
- of Company property (e.g. equipment, paychecks, etc.)
- Removal or theft of company property
- Possession, use, sale or offering of alcohol or unlawful drugs on Company premises or
- while operating Company vehicles
- Possessing, taking, selling or being under the influence of alcohol or illegal drugs while on company property
- Possession of weapons of any kind, fireworks, or explosives on Company property
- Refusal or failure to work scheduled overtime
- falsifying Company documents, forms, reports, or records, including timecards
- Allowing someone else use to clock in/out for another employee's time in/out - Failure to report overpayment of wages, benefits.

## AT-WILL EMPLOYMENT STATUS

Daifuku personnel are employed on an at-will basis. Employment at-will may be terminated with or without cause and with or without notice at any time by the employee or the Company. No manager, supervisor, or employee of the Company has any authority to enter into an agreement for employment for any specified period or to make an agreement for employment on other than at-will terms without express written authority of the manager of the Human Resources Department.

Daifuku has designed a system that allows an employee to accumulate “points” before any disciplinary action will be taken against them. Employees should monitor their point status and be aware of developing attendance problems. Please note that any attendance discipline prior to this policy will not be expunged from your record. Employees begin with 9 points and a set number of points will be deducted for each attendance occurrence.

## EMPLOYEE BENEFITS

Because the quality of service we offer depends on our employee’s wellbeing, we have designed a benefits package to help ensure financial security while retaining the Company’s competitive position. We offer an excellent package of basic benefits for our staff and their eligible dependents.

All Regular Full Time Employees and Part time employees are eligible for Daifuku benefits on day 1 of employment. All field-based hourly employees scheduled to work on a holiday will receive their base hourly rate for the hours they work on established holidays, plus holiday pay at their base hourly rate. The employees in these positions, who are not working, will not receive pay for the holiday since it does not interfere with their scheduled workweek. Employee must work on the holiday to receive holiday pay. A holiday worked is a holiday paid. For Prevailing wage employees, paid holidays will be determined by the local prevailing wage determination.

- 11 Paid Holidays
- Up to 3 weeks’ vacation
- Company paid uniforms and laundry service
- Choice of 3 medical plans, dental, vision and prescription drug coverage. FSA and HSA programs.
- AD&D, Short & Long- Term Disability Insurance Domestic Partner Benefits
- FSA/DCA
- 401K Retirement Plan w/ employee match
- Education & Tuition Reimbursement
- Sick Leave
- Maternity & Paternity Leave

## DRUG FREE WORKPLACE

Daifuku intends to provide a safe and strictly drug-free work environment. Employment with Daifuku may involve working on or near moving conveyors, sorters, and other powerful machinery. Employees may also involve working with sensitive confidential information. It is therefore very important that all employees be completely sober, alert, and always exercise the highest degree of caution.

Daifuku maintains the following policy for all existing and future employees. Initial and continued employment is contingent upon compliance with this policy. "Illegal drug" is defined to include any drug which is illegal as a matter of federal, state, or local law, including marijuana. Accordingly, a drug which is permitted by state law but illegal under federal law is prohibited by Company policy.

The Company explicitly prohibits:

- ☑ The use, possession, solicitation for, or sale of narcotics or other illegal drugs, alcohol, or prescription medication without a prescription on Company or customer premises or while performing an assignment.
- ☑ Being impaired or under the influence of legal or illegal drugs or alcohol away from the Company or customer premises, if such impairment or influence adversely affects the employee's work performance, the safety of the employee or of others, or puts at risk the Company's reputation.
- ☑ Possession, use, solicitation for, or sale of legal or illegal drugs or alcohol away from the Company or customer premises, if such activity or involvement adversely affects the employee's work performance, the safety of the employee or of others, or puts at risk the Company's reputation.
- ☑ The presence of any detectable number of prohibited substances in the employee's system while at work, while on the premises of the Company or its customers, or while on Company business. "Prohibited substances" include illegal drugs, alcohol, or prescription drugs not taken in accordance with a prescription given to the employee.

The Company will conduct drug and/or alcohol testing under any of the following circumstances:

- ☑ **PRE-EMPLOYMENT:** All new hires (post offer, pre-employment) will submit to a drug and/or alcohol test. Also, if an employee leaves employment with the Company and returns after 6 months, the employee will need to submit to a drug and/or alcohol test.
- ☑ **RANDOM TESTING:** Employees may be selected at random for drug and/or alcohol testing at any interval determined by the Company.
- ☑ **FOR CAUSE TESTING:** The Company may ask an employee to submit to a drug and/or alcohol test at any time it feels that the employee may be under the influence of drugs or alcohol, including, but not limited to, the following circumstances: evidence of drugs or alcohol on or about the employee's person or in the employee's vicinity, unusual conduct on the employee's part that suggests impairment or influence of drugs or alcohol, negative performance patterns, or excessive and unexplained absenteeism or tardiness.
- ☑ **POST-ACCIDENT TESTING:** Any employee involved in an on-the-job accident or injury under circumstances that suggest possible use/ influence of drugs or alcohol in the accident or injury event may be asked to submit to a drug and/or alcohol test. "Involved in an on-the-job accident or injury" means not only the one who was or could have been injured, but also any employee who potentially contributed to the accident or injury event in any way.

If an employee is tested for drugs or alcohol outside of the employment context and the results indicate a violation of this policy, or if an employee refuses a request to submit to testing under this policy, the employee may be subject to appropriate disciplinary action, up to and including discharge from employment. In such a case, the employee will be given an opportunity to explain the circumstances prior to any final employment action becoming effective.

## **Exhibit “E” - Training Plan**

## **TRAINING:**

*The key element in any successful transition and ongoing operation is a comprehensive training program. The mission of Daifuku's Training Program is to prepare technicians, supervisors, and managers for roles supporting specialized airport equipment by providing courses that aid in both their technical and professional development. Our Program is designed to support the five key Daifuku performance objectives: Safety, Customer Satisfaction, Employee Satisfaction, Quality, and Financial.*

Currently, Daifuku has over 900 online courses covering these topics with additional content being developed and added every quarter. These courses are designed for employees to extend their specialized knowledge to meet the requirements for their position and to provide additional opportunities for employees to expand their skill set for future career progression and assignments.

New employee training is further enhanced by strong mentoring during their first three months of employment. During this time, they are gradually exposed to the technical maintenance aspect of the equipment they will be servicing, which will provide them with the basis necessary to reach the standard required to meet certification for the job requirements in both skill and knowledge. To do this, we put new hires through a 120-hour, hands-on training encompassing equipment and shop procedures as they continue to expand their maintenance skills on the job. The goal of the training is to provide employees with the resources to understand the system data and physical condition of the equipment and to identify opportunities for fine-tuning that ensure the system runs at peak performance or better.

For efficient course scheduling, and assignment tracking and reporting, Daifuku established an industry-leading on-line Learning Management System (LMS) called Daifuku University. The training programs are organized by disciplines within the company and employees receive training assignments that are specific to the systems at their site. Additionally, they are offered the opportunity to sign up for electives to broaden their range of skills.

The delivery methods for courses available in Daifuku University consist of Computer-Based Training (CBT), Instructor Led Training (ILT), On-the-Job Training (OJT), on-line seminars and webinars and local external training. The CBT offerings, both commercially sourced and developed internally by Daifuku, are assigned in scheduled intervals by our Training Manager, who monitors the completion of courses, and reports to the leadership team to ensure compliance.

The Daifuku ILT courses are developed internally to meet the specific needs of our customers and staff. These courses provide insight on both technical and professional disciplines, covering topics such as, but limited to:

**SICK LASERS,  
SLOPE PALLET DEVICES  
HIGH SPEED DIVERTERS  
FIRE/SECURITY DOORS  
ESSENTIAL ELECTRICAL DIAGNOSTICS**

**HANDS-ON HYDRAULICS  
45-DEGREE MERGE CONVEYOR  
POWER TURNS  
AUTOMATIC TAG READERS  
HAZARDOUS WASTE PROTOCOLS**

Our electrical diagnostic course is 32 hours long and includes schematic reading, circuit components, meter reading, circuit building & diagnostic exercises. SICK training is provided directly from SICK corporation training and covers cleaning of the lenses, proper angles for SICK arrays, and preventive maintenance.

To develop our training, Daifuku subject matter experts painstakingly disassemble equipment and create detailed instructional documents. The resulting training material is then incorporated into both CBT and ILT formats as required for the subject. Training of Daifuku employees is a vital function that is a high priority. Site management personnel have clear, definitive expectations for ensuring their personnel are well trained, current in their training, and engaged. One of the Key Performance Metrics for our site management teams is achieving and exceeding the minimum training requirements.

**CAREER ADVANCEMENT:** The following snapshot provides a glimpse into some of the 74 online training courses Daifuku provides our technicians who are looking to advance their knowledge of complex electro-mechanical equipment in preparation for a Sr. Technician role.

Course Name	Lesson Names
<i>Reading Schematics and Symbols</i>	Hydraulic and Pneumatic Symbols, Hydraulic and Pneumatic Diagrams
<i>Industrial Safety and Health</i>	Protecting Your Health
<i>Troubleshooting Skills</i>	Introduction to Troubleshooting, Working with Other People, Troubleshooting Techniques, Using Schematics and Diagrams, Solving Mechanical Problems, Solving Mechanical Problems, Solving Electrical Problems, Breakdown Maintenance, Planned Maintenance
<i>Basic Electricity and Electronics</i>	Current Electricity, Magnetism, Current - Resistance and Potential Difference, Electrical Components, Conductors, DC Circuits, AC Circuits
<i>Batteries and DC Circuits</i>	Battery Characteristics, Kinds of Batteries, Maintaining Lead-Acid Batteries, Charging Lead-Acid Batteries
<i>Transformers and AC Circuits</i>	Principles of Alternating Current, Mathematics in AC Circuits
<i>Electrical Measuring Instruments</i>	Resistance Measurement, Multimeters
<i>Electrical Safety and Protection</i>	Grounding - Ground Faults and Short Circuits, Fuses and Circuit Breakers, Motor Protection
<i>DC Equipment and Controls</i>	DC Power in Industry, DC Electromagnets, DC Motors, DC Armatures, DC Relays, DC Controllers, DC Power Supplies, Silicon Controlled Rectifiers
<i>Single-Phase Motors</i>	Intro. to Single-Phase Motors, Motor Installation, Motor Maintenance
<i>Three-Phase Systems</i>	Principles of Three-Phase Motors, Multispeed Motors, Motor Starters
<i>AC Control Equipment</i>	Motor Starters, Switches and Controls, Limit Switches, Special Control Switches, Timers and Counters, Control Relays
<i>Electrical Troubleshooting</i>	Electrical Schematics, Control Circuits, Control Devices, Special Controls, DC Motors, AC Motors
<i>Lubricants and Lubrication</i>	Automatic Lubrication Methods, Lubricant Management
<i>Bearings</i>	Plain Journal Bearings II, Antifriction Bearings II, Specialized Bearings
<i>Basic Hydraulics</i>	Reservoirs and Accumulators, Hydraulic Pumps, Piping - Tubing and Fittings, Directional Control Valves, Pressure-Control Valves, Hydraulic Motors
<i>Hydraulic Troubleshooting</i>	Hydraulic Systems, Hydraulic Schematic Diagrams, Installing Hydraulic Components, Selecting Hydraulic Fluids, Planning System Maintenance
<i>Mechanical and Fluid Drive Systems</i>	Electric Brakes and Clutches, Adjustable Speed Drives



**TRAINING OF AIRLINE PERSONNEL ON “BAG HYGIENE”** - One of the most common causes of baggage jams and bag tags not being read by automated tag readers is poor “bag hygiene”. Bag hygiene includes items such as having handles stowed, loose straps secured, bags inducted wheels up, small, and irregularly shaped/special items in tubs, proper placement of tags / bar codes, good quality tags, etc., and is critical for the proper operation of an automated sort and screening baggage handling system.

Using the principals of Continuous Improvement, Daifuku has seized this opportunity for BHS performance improvement, and has developed a three-pronged approach to addressing baggage hygiene; an illustrated “Baggage Sort and Screening System 101” training syllabus, a professionally produced Baggage Hygiene Training Video, and hands-on BHS orientation tours provided to carrier personnel. We have found the most effective method is a joint effort on the part of the Airport, Airlines, and Daifuku. The joint effort includes incorporation of baggage hygiene training into the initial and recurrent security badging processes.

In this approach, we offer the baggage hygiene training video as part of the badging process for those employees whose job responsibilities include the induction of bags. Much like someone who has escort or ramp driving privileges and have an “E” or “D” letter or symbol on their badge, personnel who have successfully completed baggage hygiene training have a “B” on their badge and their badge is enabled for BHS system operation.

As a follow-on to the video training, Daifuku also offers airline personnel a hands-on training class conducted by Daifuku supervisors. This is followed by a tour of the system where they are shown the direct effect of good versus bad bag hygiene in the baggage handling system. This program has been so successful that it has been adopted by several airports in which we operate, and one major airline has adapted our “Baggage Sort and Screening System 101” for training their agents system-wide!

In cooperation with The City, Daifuku will continue to conduct this baggage hygiene training for the relevant personnel of resident airlines. This established program reduces the bag hygiene issues and increases the operational excellence of the system.

# **Exhibit “F” FAA Clauses**



#### **A4.1.1 Certification of Compliance with FAA Buy American Preference – Construction Projects**

As a matter of bid responsiveness, the bidder or offeror must complete, sign, date, and submit this certification statement with its proposal. The bidder or offeror must indicate how it intends to comply with 49 USC § 50101, BABA and other related Made in America Laws, U.S. statutes, guidance, and FAA policies, by selecting one of the following certification statements. These statements are mutually exclusive. Bidder must select one or the other (i.e., not both) by inserting a checkmark (✓) or the letter “X”.

- Bidder or offeror hereby certifies that it will comply with 49 USC § 50101, BABA and other related U.S. statutes, guidance, and policies of the FAA by:
- a) Only installing iron, steel and manufactured products produced in the United States;
  - b) Only installing construction materials defined as: an article, material, or supply – other than an item of primarily iron or steel; a manufactured product; cement and cementitious materials; aggregates such as stone, sand, or gravel; or aggregate binding agents or additives that are or consist primarily of non-ferrous metals; plastic and polymer-based products (including polyvinylchloride, composite building materials, and polymers used in fiber optic cables); glass (including optic glass); lumber or drywall that have been manufactured in the United States.
  - c) Installing manufactured products for which the Federal Aviation Administration (FAA) has issued a waiver as indicated by inclusion on the current FAA Nationwide Buy American Waivers Issued listing; or
  - d) Installing products listed as an Excepted Article, Material or Supply in Federal Acquisition Regulation Subpart 25.108.

By selecting this certification statement, the bidder or offeror agrees:

- a) To provide to the Airport Sponsor or the FAA evidence that documents the source and origin of the iron, steel, and/or manufactured product.
  - b) To faithfully comply with providing U.S. domestic products.
  - c) To refrain from seeking a waiver request after establishment of the contract, unless extenuating circumstances emerge that the FAA determines justified.
  - d) Certify that all construction materials used in the project are manufactured in the U.S.
- The bidder or offeror hereby certifies it cannot comply with the 100 percent Buy American Preferences of 49 USC § 50101(a) but may qualify for a Type 3 or Type 4 waiver under 49 USC § 50101(b). By selecting this certification statement, the apparent bidder or offeror with the apparent low bid agrees:
- a) To submit to the Airport Sponsor or FAA within 15 calendar days of being selected as the responsive bidder, a formal waiver request and required documentation that supports the type of waiver being requested.
  - b) That failure to submit the required documentation within the specified timeframe is cause for a non-responsive determination that may result in rejection of the proposal.
  - c) To faithfully comply with providing U.S. domestic products at or above the approved U.S. domestic content percentage as approved by the FAA.

- d) To furnish U.S. domestic product for any waiver request that the FAA rejects.
- e) To refrain from seeking a waiver request after establishment of the contract, unless extenuating circumstances emerge that the FAA determines justified.

### **Required Documentation**

**Type 2 Waiver (Nonavailability)** - The iron, steel, manufactured goods or construction materials or manufactured goods are not available in sufficient quantity or quality in the United States. The required documentation for the Nonavailability waiver is

- a) Completed Content Percentage Worksheet and Final Assembly Questionnaire
- b) Record of thorough market research, consideration where appropriate of qualifying alternate items, products, or materials including;
- c) A description of the market research activities and methods used to identify domestically manufactured items capable of satisfying the requirement, including the timing of the research and conclusions reached on the availability of sources.

**Type 3 Waiver** – The cost of components and subcomponents produced in the United States is more than 60 percent of the cost of all components and subcomponents of the “facility/project.” The required documentation for a Type 3 waiver is:

- a) Completed Content Percentage Worksheet and Final Assembly Questionnaire including;
- b) Listing of all manufactured products that are not comprised of 100 percent U.S. domestic content (excludes products listed on the FAA Nationwide Buy American Waivers Issued listing and products excluded by Federal Acquisition Regulation Subpart 25.108; products of unknown origin must be considered as non-domestic products in their entirety).
- c) Cost of non-domestic components and subcomponents, excluding labor costs associated with final assembly and installation at project location.
- d) Percentage of non-domestic component and subcomponent cost as compared to total “facility” component and subcomponent costs, excluding labor costs associated with final assembly and installation at project location.

**Type 4 Waiver (Unreasonable Costs)** - Applying this provision for iron, steel, manufactured goods or construction materials would increase the cost of the overall project by more than 25 percent. The required documentation for this waiver is:

- a) A completed Content Percentage Worksheet and Final Assembly Questionnaire from
- b) At minimum two comparable equal bids and/or offers;
- c) Receipt or record that demonstrates that supplier scouting called for in Executive Order 14005, indicates that no domestic source exists for the project and/or component;
- d) Completed waiver applications for each comparable bid and/or offer.

**False Statements:** Per 49 USC § 47126, this certification concerns a matter within the jurisdiction of the Federal Aviation Administration and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under Title 18, United States Code.

6/17/2024

Date

Daifuku Services America Corporation

Company Name

  
Signature

Senior Vice President

Title

#### **A4.1.2 Certification of Compliance with FAA Buy American Preference – Equipment/Building Projects**

As a matter of bid responsiveness, the bidder or offeror must complete, sign, date, and submit this certification statement with their proposal. The bidder or offeror must indicate how they intend to comply with 49 USC § 50101, and other Made in America Laws, U.S. statutes, guidance, and FAA policies by selecting one on the following certification statements. These statements are mutually exclusive. Bidder must select one or the other (not both) by inserting a checkmark (✓) or the letter “X”.

- Bidder or offeror hereby certifies that it will comply with 49 USC § 50101, BABA and other related U.S. statutes, guidance, and policies of the FAA by:
- a) Only installing steel and manufactured products produced in the United States;
  - b) Only installing construction materials defined as: an article, material, or supply – other than an item of primarily iron or steel; a manufactured product; cement and cementitious materials; aggregates such as stone, sand, or gravel; or aggregate binding agents or additives that are or consist primarily of non-ferrous metals; plastic and polymer-based products (including polyvinylchloride, composite building materials, and polymers used in fiber optic cables); glass (including optic glass); lumber or drywall that have been manufactured in the United States.
  - c) Installing manufactured products for which the Federal Aviation Administration (FAA) has issued a waiver as indicated by inclusion on the current FAA Nationwide Buy American Waivers Issued listing; or
  - d) Installing products listed as an Excepted Article, Material or Supply in Federal Acquisition Regulation Subpart 25.108.

By selecting this certification statement, the bidder or offeror agrees:

- a) To provide to the Airport Sponsor or FAA evidence that documents the source and origin of the steel and manufactured product.
  - b) To faithfully comply with providing U.S. domestic product.
  - c) To furnish U.S. domestic product for any waiver request that the FAA rejects.
  - d) To refrain from seeking a waiver request after establishment of the contract, unless extenuating circumstances emerge that the FAA determines justified.
- The bidder or offeror hereby certifies it cannot comply with the 100 percent Buy American Preferences of 49 USC § 50101(a) but may qualify for a Type 3 waiver under 49 USC § 50101(b). By selecting this certification statement, the apparent bidder or offeror with the apparent low bid agrees:
- a) To submit to the Airport Sponsor or FAA within 15 calendar days of being selected as the responsive bidder, a formal waiver request and required documentation that supports the type of waiver being requested.
  - b) That failure to submit the required documentation within the specified timeframe is cause for a non-responsive determination that may result in rejection of the proposal.
  - c) To faithfully comply with providing U.S. domestic products at or above the approved U.S. domestic content percentage as approved by the FAA.

- d) To refrain from seeking a waiver request after establishment of the contract, unless extenuating circumstances emerge that the FAA determines justified.

#### **Required Documentation**

**Type 2 Waiver (Nonavailability)** - The iron, steel, manufactured goods or construction materials are not available in sufficient quantity or quality in the United States. The required documentation for the Nonavailability waiver is:

- a) Completed Content Percentage Worksheet and Final Assembly Questionnaire
- b) Record of thorough market research, consideration where appropriate of qualifying alternate items, products, or materials including;
- c) A description of the market research activities and methods used to identify domestically manufactured items capable of satisfying the requirement, including the timing of the research and conclusions reached on the availability of sources.

**Type 3 Waiver** – The cost of the item components and subcomponents produced in the United States is more than 60 percent of the cost of all components and subcomponents of the “item”. The required documentation for a Type 3 waiver is:

- a) Completed Content Percentage Worksheet and Final Assembly Questionnaire including;
- b) Listing of all product components and subcomponents that are not comprised of 100 percent U.S. domestic content (Excludes products listed on the FAA Nationwide Buy American Waivers Issued listing and products excluded by Federal Acquisition Regulation Subpart 25.108 (products of unknown origin must be considered as non-domestic products in their entirety).
- c) Cost of non-domestic components and subcomponents, excluding labor costs associated with final assembly at place of manufacture.
- d) Percentage of non-domestic component and subcomponent cost as compared to total “item” component and subcomponent costs, excluding labor costs associated with final assembly at place of manufacture.

**Type 4 Waiver (Unreasonable Costs)** - Applying this provision for iron, steel, manufactured goods or construction materials, would increase the cost of the overall project by more than 25 percent. The required documentation for this waiver is:

- a) Completed Content Percentage Worksheet and Final Assembly Questionnaire from
- b) At minimum two comparable equal bidders and/or offerors;
- c) Receipt or record that demonstrates that supplier scouting called for in Executive Order 14005, indicates that no domestic source exists for the project and/or component;
- d) Completed waiver applications for each comparable bid and/or offer.

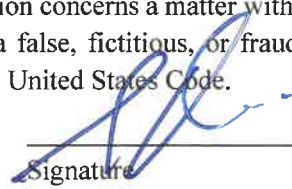
**False Statements:** Per 49 USC § 47126, this certification concerns a matter within the jurisdiction of the Federal Aviation Administration and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under Title 18, United States Code.

6/17/2024

Date

Daifuku Services America Corporation

Company Name



Signature

Senior Vice President

Title

## **A5 CIVIL RIGHTS - GENERAL**

### **GENERAL CIVIL RIGHTS PROVISIONS**

In all its activities within the scope of its airport program, the Contractor agrees to comply with pertinent statutes, Executive Orders, and such rules as identified in Title VI List of Pertinent Nondiscrimination Acts and Authorities to ensure that no person shall, on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance.

This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

#### **A5.1.1 Specific Clause that is used for General Contract Agreements**

The above provision binds the Contractor and subcontractors from the bid solicitation period through the completion of the contract.

#### **A5.1.2 Specific Clause that is used for Lease Agreements or Transfer Agreements**

If the Contractor transfers its obligation to another, the transferee is obligated in the same manner as the Contractor.

The above provision obligates the Contractor for the period during which the property is owned, used or possessed by the Contractor and the airport remains obligated to the Federal Aviation Administration.

## **A6 CIVIL RIGHTS – TITLE VI ASSURANCE**

### **A6.1.1 Title VI Solicitation Notice**

#### **Title VI Solicitation Notice:**

The **City of El Paso**, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 USC §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders or offerors that it will affirmatively ensure that for any contract entered into pursuant to this advertisement, [select businesses, or disadvantaged business enterprises or airport concession disadvantaged business enterprises] will be afforded full and fair opportunity to submit bids in response to this invitation and no businesses will be discriminated against on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability in consideration for an award.

### **A6.2 MANDATORY CONTRACT CLAUSES**

#### **A6.2.1 Title VI List of Pertinent Nondiscrimination Acts and Authorities**

During the performance of this contract, the Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the “Contractor”) agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC § 2000d *et seq.*, 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination in Federally-Assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 USC § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 *et seq.*), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27 (Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance);
- The Age Discrimination Act of 1975, as amended (42 USC § 6101 *et seq.*) (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982 (49 USC § 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987 (PL 100-259) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990 (42 USC § 12101, *et seq.*) (prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38;
- The Federal Aviation Administration’s Nondiscrimination statute (49 USC § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);



- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations (ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations);
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs [70 Fed. Reg. 74087 (2005)];
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC § 1681, et seq).

#### **A6.2.2 Nondiscrimination Requirements/Title VI Clauses for Compliance**

During the performance of this contract, the Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the “Contractor”), agrees as follows:

1. **Compliance with Regulations:** The Contractor (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
2. **Nondiscrimination:** The Contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.
3. **Solicitations for Subcontracts, including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding or negotiation made by the Contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the Contractor of the contractor’s obligations under this contract and the Nondiscrimination Acts and Authorities on the grounds of race, color, or national origin.
4. **Information and Reports:** The Contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the Contractor will so certify to the Sponsor or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.
5. **Sanctions for Noncompliance:** In the event of a Contractor’s noncompliance with the non-discrimination provisions of this contract, the Sponsor will impose such contract sanctions as

it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:

- a. Withholding payments to the Contractor under the contract until the Contractor complies; and/or
  - b. Cancelling, terminating, or suspending a contract, in whole or in part.
6. **Incorporation of Provisions:** The Contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations, and directives issued pursuant thereto. The Contractor will take action with respect to any subcontract or procurement as the Sponsor or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the Contractor may request the Sponsor to enter into any litigation to protect the interests of the Sponsor. In addition, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

## **A7 CLEAN AIR AND WATER POLLUTION CONTROL**

### **CLEAN AIR AND WATER POLLUTION CONTROL**

Contractor agrees to comply with all applicable standards, orders, and regulations issued pursuant to the Clean Air Act (42 USC §§ 7401-7671q) and the Federal Water Pollution Control Act as amended (33 USC §§ 1251-1387). The Contractor agrees to report any violation to the Owner immediately upon discovery. The Owner assumes responsibility for notifying the Environmental Protection Agency (EPA) and the Federal Aviation Administration.

Contractor must include this requirement in all subcontracts that exceed \$150,000.

## **A8 CONTRACT WORKHOURS AND SAFETY STANDARDS ACT REQUIREMENTS**

### **1. Overtime Requirements.**

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

### **2. Violation; Liability for Unpaid Wages; Liquidated Damages.**

In the event of any violation of the clause set forth in paragraph (1) of this clause, the Contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1) of this clause, in the sum of \$29 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1) of this clause.

### **3. Withholding for Unpaid Wages and Liquidated Damages.**

The Federal Aviation Administration (FAA) or the Owner shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2) of this clause.

### **4. Subcontractors.**

The Contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraphs (1) through (4) and also a clause requiring the subcontractor to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (1) through (4) of this clause.

## **A9 COPELAND “ANTI-KICKBACK” ACT**

Contractor must comply with the requirements of the Copeland “Anti-Kickback” Act (18 USC 874 and 40 USC 3145), as supplemented by Department of Labor regulation 29 CFR part 3. Contractor and subcontractors are prohibited from inducing, by any means, any person employed on the project to give up any part of the compensation to which the employee is entitled. The Contractor and each Subcontractor must submit to the Owner, a weekly statement on the wages paid to each employee performing on covered work during the prior week. Owner must report any violations of the Act to the Federal Aviation Administration.

## A10 DAVIS-BACON REQUIREMENTS

### 1. Minimum Wages.

(i) All laborers and mechanics employed or working upon the site of the work will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by the Secretary of Labor under the Copeland Act (29 CFR Part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalent thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the Contractor and such laborers and mechanics.

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

(ii)(A) The contracting officer shall require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The contracting officer shall approve an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

(1) The work to be performed by the classification requested is not performed by a classification in the wage determination;

(2) The classification is utilized in the area by the construction industry; and

(3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(B) If the Contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by the contracting officer to the Administrator of the Wage and Hour Division, U.S. Department of Labor, Washington, DC 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(C) In the event the Contractor, the laborers, or mechanics to be employed in the classification, or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the contracting officer shall refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(D) The wage rate (including fringe benefits where appropriate) determined pursuant to subparagraphs (1)(ii) (B) or (C) of this paragraph, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(iii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(iv) If the Contractor does not make payments to a trustee or other third person, the Contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, *Provided*, that the Secretary of Labor has found, upon the written request of the Contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the Contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

2. Withholding. The Federal Aviation Administration or the Sponsor shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld from the Contractor under this contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the Contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work, all or part of the wages required by the contract, the Federal Aviation Administration may, after written notice to the Contractor, Sponsor, Applicant, or Owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

### 3. Payrolls and Basic Records.

(i) Payrolls and basic records relating thereto shall be maintained by the Contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker; his or her correct classification; hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in 1(b)(2)(B) of the Davis-Bacon Act); daily and weekly number of hours worked; deductions made; and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits

under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the Contractor shall maintain records that show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual costs incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

(ii)(A) The Contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to the Federal Aviation Administration if the agency is a party to the contract, but if the agency is not such a party, the Contractor will submit the payrolls to the applicant, Sponsor, or Owner, as the case may be, for transmission to the Federal Aviation Administration. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR § 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on weekly transmittals. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at <http://www.dol.gov/esa/whd/forms/wh347instr.htm> or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker and shall provide them upon request to the Federal Aviation Administration if the agency is a party to the contract, but if the agency is not such a party, the Contractor will submit them to the applicant, Sponsor, or Owner, as the case may be, for transmission to the Federal Aviation Administration, the Contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this section for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to the sponsoring government agency (or the applicant, Sponsor, or Owner).

(B) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the Contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(1) That the payroll for the payroll period contains the information required to be provided under 29 CFR § 5.5(a)(3)(ii), the appropriate information is being maintained under 29 CFR § 5.5 (a)(3)(i), and that such information is correct and complete;

(2) That each laborer and mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 CFR Part 3;

(3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.



(C) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph (3)(ii)(B) of this section.

(D) The falsification of any of the above certifications may subject the Contractor or subcontractor to civil or criminal prosecution under Section 1001 of Title 18 and Section 231 of Title 31 of the United States Code.

(iii) The Contractor or subcontractor shall make the records required under paragraph (3)(i) of this section available for inspection, copying, or transcription by authorized representatives of the Sponsor, the Federal Aviation Administration, or the Department of Labor and shall permit such representatives to interview employees during working hours on the job. If the Contractor or subcontractor fails to submit the required records or to make them available, the Federal agency may, after written notice to the Contractor, Sponsor, applicant, or Owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR § 5.12.

#### 4. Apprentices and Trainees.

(i) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the Contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of

an apprenticeship program, the Contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(ii) Trainees. Except as provided in 29 CFR § 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination that provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate that is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the Contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(iii) Equal Employment Opportunity. The utilization of apprentices, trainees, and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR Part 30.

#### 5. Compliance with Copeland Act Requirements.

The Contractor shall comply with the requirements of 29 CFR Part 3, which are incorporated by reference in this contract.

#### 6. Subcontracts.

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

#### 7. Contract Termination: Debarment.

A breach of the contract clauses in paragraph 1 through 10 of this section may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR § 5.12.

#### 8. Compliance with Davis-Bacon and Related Act Requirements.

All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR Parts 1, 3, and 5 are herein incorporated by reference in this contract.

9. Disputes Concerning Labor Standards.

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

10. Certification of Eligibility.

(i) By entering into this contract, the Contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the Contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR § 5.12(a)(1).

(ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR § 5.12(a)(1).

(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 USC § 1001.

## **A11 DEBARMENT AND SUSPENSION**

By submitting a bid/proposal under this solicitation, the bidder or offeror certifies that neither it nor its principals are presently debarred or suspended by any Federal department or agency from participation in this transaction.

### **A11.1.1 Lower Tier Contract Certification**

#### **CERTIFICATION OF LOWER TIER CONTRACTORS REGARDING DEBARMENT**

The successful bidder, by administering each lower tier subcontract that exceeds \$25,000 as a “covered transaction”, must confirm each lower tier participant of a “covered transaction” under the project is not presently debarred or otherwise disqualified from participation in this federally-assisted project. The successful bidder will accomplish this by:

1. Checking the System for Award Management at website: <http://www.sam.gov>.
2. Collecting a certification statement similar to the Certification of Offeror /Bidder Regarding Debarment, above.
3. Inserting a clause or condition in the covered transaction with the lower tier contract.

If the Federal Aviation Administration later determines that a lower tier participant failed to disclose to a higher tier participant that it was excluded or disqualified at the time it entered the covered transaction, the FAA may pursue any available remedies, including suspension and debarment of the non-compliant participant.

## **A12 DISADVANTAGED BUSINESS ENTERPRISE**

### **A12.1.1 Solicitation Language (Solicitations that include a Contract Goal)**

Bid Information Submitted as a matter of responsiveness:

The Owner's award of this contract is conditioned upon Bidder or Offeror satisfying the good faith effort requirements of 49 CFR § 26.53.

As a condition of responsiveness, the Bidder or Offeror must submit the following information with its proposal on the forms provided herein:

- 1) The names and addresses of Disadvantaged Business Enterprise (DBE) firms that will participate in the contract;
- 2) A description of the work that each DBE firm will perform;
- 3) The dollar amount of the participation of each DBE firm listed under (1);
- 4) Written statement from Bidder or Offeror that attests their commitment to use the DBE firm(s) listed under (1) to meet the Owner's project goal
- 5) Written confirmation from each listed DBE firm that it is participating in the contract in the kind and amount of work provided in the prime contractor's commitment; and
- 6) If Bidder or Offeror cannot meet the advertised project DBE goal, evidence of good faith efforts undertaken by the Bidder or Offeror as described in appendix A to 49 CFR part 26. The documentation of good faith efforts must include copies of each DBE and non-DBE subcontractor quote submitted to the bidder when a non-DBE subcontractor was selected over a DBE for work on the contract.

**Bid Information submitted as a matter of responsibility:**

The Owner's award of this contract is conditioned upon Bidder or Offeror satisfying the good faith effort requirements of 49 CFR § 26.53.

As a condition of responsibility, every Bidder or Offeror must submit the following information on the forms provided herein within five days after bid opening.

- 1) The names and addresses of Disadvantaged Business Enterprise (DBE) firms that will participate in the contract;
- 2) A description of the work that each DBE firm will perform;
- 3) The dollar amount of the participation of each DBE firm listed under (1);
- 4) Written statement from Bidder or Offeror that attests their commitment to use the DBE firm(s) listed under (1) to meet the Owner's project goal;
- 5) Written confirmation from each listed DBE firm that it is participating in the contract in the kind and amount of work provided in the prime contractor's commitment; and
- 6) If Bidder or Offeror cannot meet the advertised project DBE goal, evidence of good faith efforts undertaken by the Bidder or Offeror as described in appendix A to 49 CFR part 26. The documentation of good faith efforts must include copies of each DBE and non-DBE subcontractor quote submitted to the bidder when a non-DBE subcontractor was selected over a DBE for work on the contract.

**A12.1.2 Solicitation Language (Race/Gender Neutral Means)**

The requirements of 49 CFR part 26 apply to this contract. It is the policy of the City of El Paso to practice nondiscrimination based on race, color, sex, or national origin in the award or performance of this contract. The Owner encourages participation by all firms qualifying under this solicitation regardless of business size or ownership.

**A12.1.3 Prime Contracts (Contracts Covered by a DBE Program)**

**Contract Assurance (49 CFR § 26.13; mandatory text provided) –**

The Contractor, subrecipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The Contractor shall carry out applicable requirements of 49 CFR part 26 in the award and administration of DOT-assisted contracts. Failure by the Contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate, which may include, but is not limited to:

- 1) Withholding monthly progress payments;
- 2) Assessing sanctions;
- 3) Liquidated damages; and/or
- 4) Disqualifying the Contractor from future bidding as non-responsible.

**Prompt Payment (49 CFR § 26.29; acceptable/sample text provided) –**

The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than [specify number of days, not to exceed 30] days from the receipt of each payment the prime contractor receives from City of El Paso. The prime contractor agrees further to return retainage payments to each subcontractor within [specify number of days, not to exceed 30] days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the City El Paso. This clause applies to both DBE and non-DBE subcontractors.

**Termination of DBE Subcontracts (49 CFR § 26.53(f); acceptable/sample text provided) –**

The prime contractor must not terminate a DBE subcontractor listed in response to [include Solicitation paragraph number where paragraph 12.3.1, Solicitation Language appears] (or an approved substitute DBE firm) without prior written consent of The City of El Paso. This includes, but is not limited to, instances in which the prime contractor seeks to perform work originally designated for a DBE subcontractor with its own forces or those of an affiliate, a non-DBE firm, or with another DBE firm.

The prime contractor shall utilize the specific DBEs listed to perform the work and supply the materials for which each is listed unless the contractor obtains written consent City of El Paso. Unless City of El Paso consent is provided, the prime contractor shall not be entitled to any payment for work or material unless it is performed or supplied by the listed DBE.

[Name of Recipient] may provide such written consent only if [Name of Recipient] agrees, for reasons stated in the concurrence document, that the prime contractor has good cause to terminate the DBE firm. For purposes of this paragraph, good cause includes the circumstances listed in 49 CFR §26.53.

Before transmitting to [Name of Recipient] its request to terminate and/or substitute a DBE subcontractor, the prime contractor must give notice in writing to the DBE subcontractor, with a copy to [Name of Recipient], of its intent to request to terminate and/or substitute, and the reason for the request.

The prime contractor must give the DBE five days to respond to the prime contractor's notice and advise [Name of Recipient] and the contractor of the reasons, if any, why it objects to the proposed termination of its subcontract and why [Name of Recipient] should not approve the prime contractor's action. If required in a particular case as a matter of public necessity (e.g., safety), [Name of Recipient] may provide a response period shorter than five days.

In addition to post-award terminations, the provisions of this section apply to preaward deletions of or substitutions for DBE firms put forward by offerors in negotiated procurements.

## **A13 DISTRACTED DRIVING**

### **TEXTING WHEN DRIVING**

In accordance with Executive Order 13513, “Federal Leadership on Reducing Text Messaging While Driving”, (10/1/2009) and DOT Order 3902.10, “Text Messaging While Driving”, (12/30/2009), the Federal Aviation Administration encourages recipients of Federal grant funds to adopt and enforce safety policies that decrease crashes by distracted drivers, including policies to ban text messaging while driving when performing work related to a grant or subgrant.

In support of this initiative, the Owner encourages the Contractor to promote policies and initiatives for its employees and other work personnel that decrease crashes by distracted drivers, including policies that ban text messaging while driving motor vehicles while performing work activities associated with the project. The Contractor must include the substance of this clause in all sub-tier contracts exceeding \$10,000 that involve driving a motor vehicle in performance of work activities associated with the project.



**A14 PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT**

Contractor and Subcontractor agree to comply with mandatory standards and policies relating to use and procurement of certain telecommunications and video surveillance services or equipment in compliance with the National Defense Authorization Act [Public Law 115-232 § 889(f)(1)].



## **A15 EQUAL EMPLOYMENT OPPORTUNITY (EEO)**

### **EQUAL OPPORTUNITY CLAUSE**

During the performance of this contract, the Contractor agrees as follows:

(1) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff, or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

(2) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

(3) The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.

(4) The Contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer, advising the labor union or workers' representative of the Contractor's commitments under this section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(5) The Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(6) The Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(7) In the event of the Contractor's noncompliance with the nondiscrimination clauses of this contract or with any such rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in

accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(8) The Contractor will include the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions, including sanctions for noncompliance: *Provided*, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

### **A15.1.1 EEO Specification**

<b>STANDARD</b>	<b>FEDERAL</b>	<b>EQUAL</b>	<b>EMPLOYMENT</b>	<b>OPPORTUNITY</b>
<b>CONSTRUCTION CONTRACT SPECIFICATIONS</b>				

1. As used in these specifications:

- a. "Covered area" means the geographical area described in the solicitation from which this contract resulted;
- b. "Director" means Director, Office of Federal Contract Compliance Programs (OFCCP), U.S. Department of Labor, or any person to whom the Director delegates authority;
- c. "Employer identification number" means the Federal social security number used on the Employer's Quarterly Federal Tax Return, U.S. Treasury Department Form 941;
- d. "Minority" includes:
  - (1) Black (all persons having origins in any of the Black African racial groups not of Hispanic origin);
  - (2) Hispanic (all persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race);
  - (3) Asian and Pacific Islander (all persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian Subcontinent, or the Pacific Islands); and
  - (4) American Indian or Alaskan native (all persons having origins in any of the original peoples of North America and maintaining identifiable tribal affiliations through membership and participation or community identification).

2. Whenever the Contractor, or any subcontractor at any tier, subcontracts a portion of the work involving any construction trade, it shall physically include in each subcontract in excess of \$10,000 the provisions of these specifications and the Notice which contains the applicable goals for minority and female participation and which is set forth in the solicitations from which this contract resulted.

3. If the Contractor is participating (pursuant to 41 CFR part 60-4.5) in a Hometown Plan approved by the U.S. Department of Labor in the covered area either individually or through an association, its affirmative action obligations on all work in the Plan area (including goals and timetables) shall be in accordance with that Plan for those trades which have unions participating in the Plan. Contractors must be able to demonstrate their participation in and compliance with the provisions of any such Hometown Plan. Each contractor or subcontractor participating in an approved plan is individually required to comply with its obligations under the EEO clause and to make a good faith effort to achieve each goal under the Plan in each trade in which it has employees. The overall good faith performance by other contractors or subcontractors toward a goal in an approved Plan does not excuse any covered contractor's or subcontractor's failure to take good faith efforts to achieve the Plan goals and timetables.

4. The Contractor shall implement the specific affirmative action standards provided in paragraphs 7a through 7p of these specifications. The goals set forth in the solicitation from which this contract resulted are expressed as percentages of the total hours of employment and training of minority and female utilization the Contractor should reasonably be able to achieve in each construction trade in which it has employees in the covered area. Covered construction contractors performing construction work in a geographical areas where they do not have a Federal or federally assisted construction contract shall apply the minority and female goals established for the geographical area where the work is being performed. Goals are published periodically in the Federal Register in notice form, and such notices may be obtained from any Office of Federal Contract Compliance Programs office or from Federal procurement contracting officers. The Contractor is expected to make substantially uniform progress in meeting its goals in each craft during the period specified.

5. Neither the provisions of any collective bargaining agreement, nor the failure by a union with whom the Contractor has a collective bargaining agreement, to refer either minorities or women shall excuse the Contractor's obligations under these specifications, Executive Order 11246, or the regulations promulgated pursuant thereto.

6. In order for the nonworking training hours of apprentices and trainees to be counted in meeting the goals, such apprentices and trainees must be employed by the Contractor during the training period, and the Contractor must have made a commitment to employ the apprentices and trainees at the completion of their training, subject to the availability of employment opportunities. Trainees must be trained pursuant to training programs approved by the U.S. Department of Labor.

7. The Contractor shall take specific affirmative actions to ensure equal employment opportunity. The evaluation of the Contractor's compliance with these specifications shall be based upon its effort to achieve maximum results from its actions. The Contractor shall document these efforts fully, and shall implement affirmative action steps at least as extensive as the following:

- a. Ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities at which the Contractor's employees are assigned to work. The Contractor, where possible, will assign two or more women to each construction project. The Contractor shall specifically ensure that all foremen, superintendents, and other onsite supervisory personnel are aware of and carry out the Contractor's obligation to maintain such a working environment, with specific attention to minority or female individuals working at such sites or in such facilities.

- b. Establish and maintain a current list of minority and female recruitment sources, provide written notification to minority and female recruitment sources and to community organizations when the Contractor or its unions have employment opportunities available, and maintain a record of the organizations' responses.
- c. Maintain a current file of the names, addresses, and telephone numbers of each minority and female off-the-street applicant and minority or female referral from a union, a recruitment source, or community organization and of what action was taken with respect to each such individual. If such individual was sent to the union hiring hall for referral and was not referred back to the Contractor by the union or, if referred, not employed by the Contractor, this shall be documented in the file with the reason therefor, along with whatever additional actions the Contractor may have taken.
- d. Provide immediate written notification to the Director when the union or unions with which the Contractor has a collective bargaining agreement has not referred to the Contractor a minority person or woman sent by the Contractor, or when the Contractor has other information that the union referral process has impeded the Contractor's efforts to meet its obligations.
- e. Develop on-the-job training opportunities and/or participate in training programs for the area which expressly include minorities and women, including upgrading programs and apprenticeship and trainee programs relevant to the Contractor's employment needs, especially those programs funded or approved by the Department of Labor. The Contractor shall provide notice of these programs to the sources compiled under 7b above.
- f. Disseminate the Contractor's EEO policy by providing notice of the policy to unions and training programs and requesting their cooperation in assisting the Contractor in meeting its EEO obligations; by including it in any policy manual and collective bargaining agreement; by publicizing it in the company newspaper, annual report, etc.; by specific review of the policy with all management personnel and with all minority and female employees at least once a year; and by posting the company EEO policy on bulletin boards accessible to all employees at each location where construction work is performed.
- g. Review, at least annually, the company's EEO policy and affirmative action obligations under these specifications with all employees having any responsibility for hiring, assignment, layoff, termination, or other employment decisions including specific review of these items with onsite supervisory personnel such as superintendents, general foremen, etc., prior to the initiation of construction work at any job site. A written record shall be made and maintained identifying the time and place of these meetings, persons attending, subject matter discussed, and disposition of the subject matter.
- h. Disseminate the Contractor's EEO policy externally by including it in any advertising in the news media, specifically including minority and female news media, and providing written notification to and discussing the Contractor's EEO policy with other contractors and subcontractors with whom the Contractor does or anticipates doing business.
- i. Direct its recruitment efforts, both oral and written, to minority, female, and community organizations, to schools with minority and female students and to minority and female recruitment and training organizations serving the Contractor's recruitment area and employment needs. Not later than one month prior to the date for the acceptance of applications for apprenticeship or other training

by any recruitment source, the Contractor shall send written notification to organizations such as the above, describing the openings, screening procedures, and tests to be used in the selection process.

j. Encourage present minority and female employees to recruit other minority persons and women and, where reasonable, provide after school, summer, and vacation employment to minority and female youth both on the site and in other areas of a contractor's work force.

k. Validate all tests and other selection requirements where there is an obligation to do so under 41 CFR part 60-3.

l. Conduct, at least annually, an inventory and evaluation at least of all minority and female personnel, for promotional opportunities and encourage these employees to seek or to prepare for, through appropriate training, etc., such opportunities.

m. Ensure that seniority practices, job classifications, work assignments, and other personnel practices do not have a discriminatory effect by continually monitoring all personnel and employment related activities to ensure that the EEO policy and the Contractor's obligations under these specifications are being carried out.

n. Ensure that all facilities and company activities are nonsegregated except that separate or single-user toilet and necessary changing facilities shall be provided to assure privacy between the sexes.

o. Document and maintain a record of all solicitations of offers for subcontracts from minority and female construction contractors and suppliers, including circulation of solicitations to minority and female contractor associations and other business associations.

p. Conduct a review, at least annually, of all supervisor's adherence to and performance under the Contractor's EEO policies and affirmative action obligations.

8. Contractors are encouraged to participate in voluntary associations, which assist in fulfilling one or more of their affirmative action obligations (7a through 7p). The efforts of a contractor association, joint contractor-union, contractor-community, or other similar group of which the Contractor is a member and participant may be asserted as fulfilling any one or more of its obligations under 7a through 7p of these specifications provided that the Contractor actively participates in the group, makes every effort to assure that the group has a positive impact on the employment of minorities and women in the industry, ensures that the concrete benefits of the program are reflected in the Contractor's minority and female workforce participation, makes a good faith effort to meet its individual goals and timetables, and can provide access to documentation which demonstrates the effectiveness of actions taken on behalf of the Contractor. The obligation to comply, however, is the Contractor's and failure of such a group to fulfill an obligation shall not be a defense for the Contractor's noncompliance.

9. A single goal for minorities and a separate single goal for women have been established. The Contractor, however, is required to provide equal employment opportunity and to take affirmative action for all minority groups, both male and female, and all women, both minority and non-minority. Consequently, the Contractor may be in violation of the Executive Order if a particular group is employed in a substantially disparate manner (for example, even though the Contractor has achieved its goals for women generally, the Contractor may be in violation of the Executive Order if a specific minority group of women is underutilized).

10. The Contractor shall not use the goals and timetables or affirmative action standards to discriminate against any person because of race, color, religion, sex, sexual orientation, gender identity, or national origin.

11. The Contractor shall not enter into any subcontract with any person or firm debarred from Government contracts pursuant to Executive Order 11246.

12. The Contractor shall carry out such sanctions and penalties for violation of these specifications and of the Equal Opportunity Clause, including suspension, termination, and cancellation of existing subcontracts as may be imposed or ordered pursuant to Executive Order 11246, as amended, and its implementing regulations, by the Office of Federal Contract Compliance Programs. Any contractor who fails to carry out such sanctions and penalties shall be in violation of these specifications and Executive Order 11246, as amended.

13. The Contractor, in fulfilling its obligations under these specifications, shall implement specific affirmative action steps, at least as extensive as those standards prescribed in paragraph 7 of these specifications, so as to achieve maximum results from its efforts to ensure equal employment opportunity. If the Contractor fails to comply with the requirements of the Executive Order, the implementing regulations, or these specifications, the Director shall proceed in accordance with 41 CFR part 60-4.8.

14. The Contractor shall designate a responsible official to monitor all employment related activity to ensure that the company EEO policy is being carried out, to submit reports relating to the provisions hereof as may be required by the Government, and to keep records. Records shall at least include for each employee, the name, address, telephone numbers, construction trade, union affiliation if any, employee identification number when assigned, social security number, race, sex, status (e.g., mechanic, apprentice, trainee, helper, or laborer), dates of changes in status, hours worked per week in the indicated trade, rate of pay, and locations at which the work was performed. Records shall be maintained in an easily understandable and retrievable form; however, to the degree that existing records satisfy this requirement, contractors shall not be required to maintain separate records.

15. Nothing herein provided shall be construed as a limitation upon the application of other laws which establish different standards of compliance or upon the application of requirements for the hiring of local or other area residents (e.g. those under the Public Works Employment Act of 1977 and the Community Development Block Grant Program).



## **A16 FEDERAL FAIR LABOR STANDARDS ACT (FEDERAL MINIMUM WAGE)**

All contracts and subcontracts that result from this solicitation incorporate by reference the provisions of 29 CFR part 201, et seq, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part-time workers.

The [*Contractor* | *Consultant*] has full responsibility to monitor compliance to the referenced statute or regulation. The [*Contractor* | *Consultant*] must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

## **A17 LOBBYING AND INFLUENCING FEDERAL EMPLOYEES**

### **CERTIFICATION REGARDING LOBBYING**

The Bidder or Offeror certifies by signing and submitting this bid or proposal, to the best of his or her knowledge and belief, that:

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

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

## **A18 PROHIBITION OF SEGREGATED FACILITIES**

(a) The Contractor agrees that it does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and will not permit its employees to perform their services at any location under its control where segregated facilities are maintained. The Contractor agrees that a breach of this clause is a violation of the Equal Employment Opportunity clause in this contract.

(b) "Segregated facilities," as used in this clause, means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees that are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, sex, sexual orientation, gender identity, or national origin because of written or oral policies or employee custom. The term does not include separate or single-user rest rooms or necessary dressing or sleeping areas provided to assure privacy between the sexes.

(c) The Contractor shall include this clause in every subcontract and purchase order that is subject to the Equal Employment Opportunity clause of this contract.

## **A19 OCCUPATIONAL SAFETY AND HEALTH ACT OF 1970**

All contracts and subcontracts that result from this solicitation incorporate by reference the requirements of 29 CFR Part 1910 with the same force and effect as if given in full text. The employer must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. The employer retains full responsibility to monitor its compliance and their subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR Part 1910). The employer must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

## A20 PROCUREMENT OF RECOVERED MATERIALS

Contractor and subcontractor agree to comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, and the regulatory provisions of 40 CFR Part 247. In the performance of this contract and to the extent practicable, the Contractor and subcontractors are to use products containing the highest percentage of recovered materials for items designated by the Environmental Protection Agency (EPA) under 40 CFR Part 247 whenever:

- 1) The contract requires procurement of \$10,000 or more of a designated item during the fiscal year; or
- 2) The contractor has procured \$10,000 or more of a designated item using Federal funding during the previous fiscal year.

The list of EPA-designated items is available at [www.epa.gov/smm/comprehensive-procurement-guidelines-construction-products](http://www.epa.gov/smm/comprehensive-procurement-guidelines-construction-products).

Section 6002(c) establishes exceptions to the preference for recovery of EPA-designated products if the contractor can demonstrate the item is:

- a) Not reasonably available within a timeframe providing for compliance with the contract performance schedule;
- b) Fails to meet reasonable contract performance requirements; or
- c) Is only available at an unreasonable price.

## **A21 RIGHT TO INVENTIONS**

Contracts or agreements that include the performance of experimental, developmental, or research work must provide for the rights of the Federal Government and the Owner in any resulting invention as established by 37 CFR part 401, Rights to Inventions Made by Non-profit Organizations and Small Business Firms under Government Grants, Contracts, and Cooperative Agreements. This contract incorporates by reference the patent and inventions rights as specified within 37 CFR § 401.14. Contractor must include this requirement in all sub-tier contracts involving experimental, developmental, or research work.

## **A22 SEISMIC SAFETY**

### **A22.1.1 Professional Service Agreements for Design**

#### **SEISMIC SAFETY**

In the performance of design services, the Consultant agrees to furnish a building design and associated construction specification that conform to a building code standard that provides a level of seismic safety substantially equivalent to standards as established by the National Earthquake Hazards Reduction Program (NEHRP). Local building codes that model their building code after the current version of the International Building Code (IBC) meet the NEHRP equivalency level for seismic safety. At the conclusion of the design services, the Consultant agrees to furnish the Owner a “certification of compliance” that attests conformance of the building design and the construction specifications with the seismic standards of NEHRP or an equivalent building code.

### **A22.1.2 Construction Contracts**

#### **SEISMIC SAFETY**

The Contractor agrees to ensure that all work performed under this contract, including work performed by subcontractors, conforms to a building code standard that provides a level of seismic safety substantially equivalent to standards established by the National Earthquake Hazards Reduction Program (NEHRP). Local building codes that model their code after the current version of the International Building Code (IBC) meet the NEHRP equivalency level for seismic safety.

## A23 TAX DELINQUENCY AND FELONY CONVICTIONS

### CERTIFICATION OF OFFEROR/BIDDER REGARDING TAX DELINQUENCY AND FELONY CONVICTIONS

The applicant must complete the following two certification statements. The applicant must indicate its current status as it relates to tax delinquency and felony conviction by inserting a checkmark (✓) in the space following the applicable response. The applicant agrees that, if awarded a contract resulting from this solicitation, it will incorporate this provision for certification in all lower tier subcontracts.

#### Certifications

- 1) The applicant represents that it is (  ) is not (  ) a corporation that has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability.
- 2) The applicant represents that it is (  ) is not (  ) a corporation that was convicted of a criminal violation under any Federal law within the preceding 24 months.

#### Note

If an applicant responds in the affirmative to either of the above representations, the applicant is ineligible to receive an award unless the Sponsor has received notification from the agency suspension and debarment official (SDO) that the SDO has considered suspension or debarment and determined that further action is not required to protect the Government's interests. The applicant therefore must provide information to the owner about its tax liability or conviction to the Owner, who will then notify the FAA Airports District Office, which will then notify the agency's SDO to facilitate completion of the required considerations before award decisions are made.

#### Term Definitions

**Felony conviction:** Felony conviction means a conviction within the preceding twenty four (24) months of a felony criminal violation under any Federal law and includes conviction of an offense defined in a section of the U.S. Code that specifically classifies the offense as a felony and conviction of an offense that is classified as a felony under 18 USC § 3559.

**Tax Delinquency:** A tax delinquency is any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted, or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability.



## **A24 TERMINATION OF CONTRACT**

### **A24.1.1 Termination for Convenience**

#### **TERMINATION FOR CONVENIENCE (CONSTRUCTION & EQUIPMENT CONTRACTS)**

The Owner may terminate this contract in whole or in part at any time by providing written notice to the Contractor. Such action may be without cause and without prejudice to any other right or remedy of Owner. Upon receipt of a written notice of termination, except as explicitly directed by the Owner, the Contractor shall immediately proceed with the following obligations regardless of any delay in determining or adjusting amounts due under this clause:

1. Contractor must immediately discontinue work as specified in the written notice.
2. Terminate all subcontracts to the extent they relate to the work terminated under the notice.
3. Discontinue orders for materials and services except as directed by the written notice.
4. Deliver to the Owner all fabricated and partially fabricated parts, completed and partially completed work, supplies, equipment and materials acquired prior to termination of the work, and as directed in the written notice.
5. Complete performance of the work not terminated by the notice.
6. Take action as directed by the Owner to protect and preserve property and work related to this contract that Owner will take possession.

Owner agrees to pay Contractor for:

1. Completed and acceptable work executed in accordance with the contract documents prior to the effective date of termination;
2. Documented expenses sustained prior to the effective date of termination in performing work and furnishing labor, materials, or equipment as required by the contract documents in connection with uncompleted work;
3. Reasonable and substantiated claims, costs, and damages incurred in settlement of terminated contracts with Subcontractors and Suppliers; and
4. Reasonable and substantiated expenses to the Contractor directly attributable to Owner's termination action.

Owner will not pay Contractor for loss of anticipated profits or revenue or other economic loss arising out of or resulting from the Owner's termination action.

The rights and remedies this clause provides are in addition to any other rights and remedies provided by law or under this contract.

#### **TERMINATION FOR CONVENIENCE (PROFESSIONAL SERVICES)**

The Owner may, by written notice to the Consultant, terminate this Agreement for its convenience and without cause or default on the part of Consultant. Upon receipt of the notice of termination, except as explicitly directed by the Owner, the Contractor must immediately discontinue all services affected.

Upon termination of the Agreement, the Consultant must deliver to the Owner all data, surveys, models, drawings, specifications, reports, maps, photographs, estimates, summaries, and other documents and materials prepared by the Engineer under this contract, whether complete or partially complete.

Owner agrees to make just and equitable compensation to the Consultant for satisfactory work completed up through the date the Consultant receives the termination notice. Compensation will not include anticipated profit on non-performed services.

Owner further agrees to hold Consultant harmless for errors or omissions in documents that are incomplete as a result of the termination action under this clause.

#### **A24.1.2 Termination for Default**

##### **TERMINATION FOR CAUSE (CONSTRUCTION)**

Section 80-09 of FAA Advisory Circular 150/5370-10 establishes standard language for conditions, rights, and remedies associated with Owner termination of this contract for cause due to default of the Contractor.

##### **TERMINATION FOR CAUSE (EQUIPMENT)**

The Owner may, by written notice of default to the Contractor, terminate all or part of this Contract for cause if the Contractor:

1. Fails to begin the Work under the Contract within the time specified in the Notice-to-Proceed;
2. Fails to make adequate progress as to endanger performance of this Contract in accordance with its terms;
3. Fails to make delivery of the equipment within the time specified in the Contract, including any Owner approved extensions;
4. Fails to comply with material provisions of the Contract;
5. Submits certifications made under the Contract and as part of their proposal that include false or fraudulent statements; or
6. Becomes insolvent or declares bankruptcy.

If one or more of the stated events occur, the Owner will give notice in writing to the Contractor and Surety of its intent to terminate the contract for cause. At the Owner's discretion, the notice may allow the Contractor and Surety an opportunity to cure the breach or default.

If within [10] days of the receipt of notice, the Contractor or Surety fails to remedy the breach or default to the satisfaction of the Owner, the Owner has authority to acquire equipment by other procurement action. The Contractor will be liable to the Owner for any excess costs the Owner incurs for acquiring such similar equipment.

Payment for completed equipment delivered to and accepted by the Owner shall be at the Contract price. The Owner may withhold from amounts otherwise due the Contractor for such completed equipment, such sum as the Owner determines to be necessary to protect the Owner against loss because of Contractor default.

Owner will not terminate the Contractor's right to proceed with the work under this clause if the delay in completing the work arises from unforeseeable causes beyond the control and without the fault or negligence of the Contractor. Examples of such acceptable causes include: acts of God, acts of the Owner,

acts of another Contractor in the performance of a contract with the Owner, and severe weather events that substantially exceed normal conditions for the location.

If, after termination of the Contractor's right to proceed, the Owner determines that the Contractor was not in default, or that the delay was excusable, the rights and obligations of the parties will be the same as if the Owner issued the termination for the convenience the Owner.

The rights and remedies of the Owner in this clause are in addition to any other rights and remedies provided by law or under this contract.

#### **TERMINATION FOR CAUSE (PROFESSIONAL SERVICES)**

Either party may terminate this Agreement for cause if the other party fails to fulfill its obligations that are essential to the completion of the work per the terms and conditions of the Agreement. The party initiating the termination action must allow the breaching party an opportunity to dispute or cure the breach.

The terminating party must provide the breaching party [7] days advance written notice of its intent to terminate the Agreement. The notice must specify the nature and extent of the breach, the conditions necessary to cure the breach, and the effective date of the termination action. The rights and remedies in this clause are in addition to any other rights and remedies provided by law or under this agreement.

a) **Termination by Owner:** The Owner may terminate this Agreement for cause in whole or in part, for the failure of the Consultant to:

1. Perform the services within the time specified in this contract or by Owner approved extension;
2. Make adequate progress so as to endanger satisfactory performance of the Project; or
3. Fulfill the obligations of the Agreement that are essential to the completion of the Project.

Upon receipt of the notice of termination, the Consultant must immediately discontinue all services affected unless the notice directs otherwise. Upon termination of the Agreement, the Consultant must deliver to the Owner all data, surveys, models, drawings, specifications, reports, maps, photographs, estimates, summaries, and other documents and materials prepared by the Engineer under this contract, whether complete or partially complete.

Owner agrees to make just and equitable compensation to the Consultant for satisfactory work completed up through the date the Consultant receives the termination notice. Compensation will not include anticipated profit on non-performed services.

Owner further agrees to hold Consultant harmless for errors or omissions in documents that are incomplete as a result of the termination action under this clause.

If, after finalization of the termination action, the Owner determines the Consultant was not in default of the Agreement, the rights and obligations of the parties shall be the same as if the Owner issued the termination for the convenience of the Owner.

b) **Termination by Consultant:** The Consultant may terminate this Agreement for cause in whole or in part, if the Owner:

1. Defaults on its obligations under this Agreement;
2. Fails to make payment to the Consultant in accordance with the terms of this Agreement;

3. Suspends the project for more than [180] days due to reasons beyond the control of the Consultant.

Upon receipt of a notice of termination from the Consultant, Owner agrees to cooperate with Consultant for the purpose of terminating the agreement or portion thereof, by mutual consent. If Owner and Consultant cannot reach mutual agreement on the termination settlement, the Consultant may, without prejudice to any rights and remedies it may have, proceed with terminating all or parts of this Agreement based upon the Owner's breach of the contract.

In the event of termination due to Owner breach, the Consultant is entitled to invoice Owner and to receive full payment for all services performed or furnished in accordance with this Agreement and all justified reimbursable expenses incurred by the Consultant through the effective date of termination action. Owner agrees to hold Consultant harmless for errors or omissions in documents that are incomplete as a result of the termination action under this clause.

## **A25 TRADE RESTRICTION CERTIFICATION**

By submission of an offer, the Offeror certifies that with respect to this solicitation and any resultant contract, the Offeror –

- 1) is not owned or controlled by one or more citizens of a foreign country included in the list of countries that discriminate against U.S. firms as published by the Office of the United States Trade Representative (USTR);
- 2) has not knowingly entered into any contract or subcontract for this project with a person that is a citizen or national of a foreign country included on the list of countries that discriminate against U.S. firms as published by the USTR; and
- 3) has not entered into any subcontract for any product to be used on the Federal project that is produced in a foreign country included on the list of countries that discriminate against U.S. firms published by the USTR.

This certification concerns a matter within the jurisdiction of an agency of the United States of America and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under Title 18 USC § 1001.

The Offeror/Contractor must provide immediate written notice to the Owner if the Offeror/Contractor learns that its certification or that of a subcontractor was erroneous when submitted or has become erroneous by reason of changed circumstances. The Contractor must require subcontractors provide immediate written notice to the Contractor if at any time it learns that its certification was erroneous by reason of changed circumstances.

Unless the restrictions of this clause are waived by the Secretary of Transportation in accordance with 49 CFR § 30.17, no contract shall be awarded to an Offeror or subcontractor:

- 1) who is owned or controlled by one or more citizens or nationals of a foreign country included on the list of countries that discriminate against U.S. firms published by the USTR; or
- 2) whose subcontractors are owned or controlled by one or more citizens or nationals of a foreign country on such USTR list; or

3) who incorporates in the public works project any product of a foreign country on such USTR list. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by this provision. The knowledge and information of a contractor is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

The Offeror agrees that, if awarded a contract resulting from this solicitation, it will incorporate this provision for certification without modification in all lower tier subcontracts. The Contractor may rely on the certification of a prospective subcontractor that it is not a firm from a foreign country included on the list of countries that discriminate against U.S. firms as published by USTR, unless the Offeror has knowledge that the certification is erroneous.

This certification is a material representation of fact upon which reliance was placed when making an award. If it is later determined that the Contractor or subcontractor knowingly rendered an erroneous certification, the Federal Aviation Administration (FAA) may direct through the Owner cancellation of the contract or subcontract for default at no cost to the Owner or the FAA.

## **A26 VETERAN'S PREFERENCE**

In the employment of labor (excluding executive, administrative, and supervisory positions), the Contractor and all sub-tier contractors must give preference to covered veterans as defined within Title 49 United States Code Section 47112. Covered veterans include Vietnam-era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns (as defined by 15 USC § 632) owned and controlled by disabled veterans. This preference only applies when there are covered veterans readily available and qualified to perform the work to which the employment relates.

## **A27 DOMESTIC PREFERENCES FOR PROCUREMENTS**

### **CERTIFICATION REGARDING DOMESTIC PREFERENCES FOR PROCUREMENTS**

The Bidder or Offeror certifies by signing and submitting this bid or proposal that, to the greatest extent practicable, the Bidder or Offeror has provided a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including, but not limited to, iron, aluminum, steel, cement, and other manufactured products) in compliance with 2 CFR § 200.322.

## **Exhibit “G”**



## EXHIBIT G: SECURITY AND SAFETY REQUIREMENTS

### **SECURITY NOTES**

1. All work areas shall be locked and secured at the end of each workday.
2. Contractor access points and times to airport property shall be limited to those designated by airport operations.
3. Access to telephone rooms and security areas is strictly controlled by airport operations. Access to these areas shall require coordination with airport operations.
4. Contractor procedures for operating vehicles at the El Paso International Airport (ELP) are as follows:
  - a. The procedures apply to all personnel who operate vehicles at ELP. The procedures must be reviewed and understood prior to beginning vehicle operations. Violations of these procedures will be subject to loss of identification badge and fines covered by the City of El Paso Municipal Code Title 14.
  - b. Vehicles operating within security fencing are limited to those displaying company logos affixed on both sides of the vehicle and must be on official company business.
  - c. All vehicle operations within the security fences at ELP shall be accomplished by persons who have passed the ELP ramp drivers test and have an "R" attached to their ELP identification badge. Training for the driving test is each individual's responsibility. Airport operations will provide the Contractor study manual. The material will be in English; translation to Spanish shall be the Contractor's responsibility.
  - d. All vehicle escort/delivery operations within the security fences at ELP shall be supervised by persons who have passed the ELP ramp drivers test and have an "R" attached to their ELP identification badge. Additionally, an individual granted escort authorization in the SIDA and Sterile areas must have an "E" designation on their airport identification badge.
  - e. Supervisors are responsible to ensure all construction vehicle operations on airport property are conducted in accordance with the El Paso International Airport operating instructions, ground vehicle operations rules and regulations.
  - f. No vehicle may be operated on the aircraft movement area without prior arrangements with airport operations.
5. Contractor identification badge requirements at ELP are as follows:
  - a. Contractors shall complete and submit a security badge agreement/contract with airport operations for approval.
  - b. Contractors shall designate an individual as an Authorized Signatory. The Authorized Signatory is responsible for signing for badges for the contractor. The Authorized Signatory must meet the following requirements before airport identification badges are issued to the Contractor.
    - i. All persons designated as an Authorized Signatory must submit documentation that establishes their identity and employment eligibility and undergo a Security Threat Assessment (STA) prior to performing Authorized Signatory responsibilities.

- ii. The designated Authorized Signatory must attend one Authorized Signatory training session. Subsequently, the Authorized Signatory must attend the Authorized Signatory training on a yearly basis. Schedule of sessions provided by the Airport Badging Office.
- iii. Additional requirements for the Authorized Signatory if the construction project is located in the Security Identification Display Area(s) (SIDA) or Sterile area of the airport:
  - a. All persons will attend security training. Airport Operations shall provide the training and it will last not more than two hours.
  - b. All persons seeking unescorted access to the Airport's SIDA and/or Sterile area will submit their fingerprints to the Airport Badging Office for criminal history check prior to authorizing approval for airport badges.

Once the Authorized Signatory has completed the above-mentioned requirements, the badging application process can begin for the Contractor.

- c. Airport Badging Application and Renewal Fees listed below are applicable to all persons seeking an airport identification badge:

**Badging Fees Effective September 1, 2015**

ITEM	FEE
<u>SIDA / Sterile Badge Initial Application Fee</u> (Includes fingerprinting)	\$110.00 <b>(nonrefundable)</b>
SIDA / Sterile Badge Renewal Fee (Airport Badge expires annually)	\$70.00 <b>(nonrefundable)</b>
AOA or Parking Badge Initial Application Fee	\$45.00 <b>(nonrefundable)</b>
AOA or Parking Badge Renewal Fee (Airport Badge expires annually)	\$35.00 <b>(nonrefundable)</b>
Lost/Stolen/Not Returned Badge Fee	\$110.00
Key Replacement Fee	\$100.00

- d. All identification badges issued to the Contractor, the Contractor's employees and subcontractor's badges shall be returned to airport operations at the conclusion of the scope of work. All workers must be badged and a \$110.00 charge per badge will be deposited

prior to acquiring a badge. This deposit will be returned and the final pay application paid when all badges have been returned to the Airport.

- e. All persons seeking an airport identification badge will attend security training. Airport operations shall provide the training.
  - f. All persons seeking an airport identification badge will submit documentation that establishes their identity and employment eligibility and undergo a Security Threat Assessment (STA) prior to receiving an airport identification badge. An airport identification badge will not be issued to the individual until approved by the Transportation Security Administration (TSA).
  - g. All persons seeking unescorted access to the airports security identification display areas (SIDA) will submit their fingerprints to the airport badging office for criminal history check prior to receiving an airport identification badge.
  - h. All persons who will be working on the regular basis in the sterile area of the airport will submit their fingerprints to the airport badging office for a criminal history records check (CHRC) prior to receiving access to the sterile area.
  - i. All work tools and building supplies to be used in the sterile area shall be brought into the sterile area under the assigned escort of airport operations.
  - j. All persons working in the sterile area during flight operations will present themselves to screening after an escort assigned by airport operations has secured their work tools and building supplies in the sterile area.
  - k. The Contractor, supervisors and individuals issued an airport identification badge will ensure that all persons working in secure areas of the airport will display the proper identification badge for that area or are under the escort of a proper airport issued identification badge holder.
  - l. It is the Contractor's responsibility to ensure that all deliveries made to airport property are done within the airport security regulations and that individuals with an airport issued identification badge, which grants access to that area, will escort all delivery vehicles and personnel.
  - m. The Contractor, as well as individual identification badge holders will follow all security regulations and enforce all security rules and regulation. The Contractor and individual identification badge holders will be subject to fines between \$2,000 and \$10,000 and penalties as called for in the El Paso Municipal Code, Title 14. The Contractor and individual identification badge holders will be responsible to reimburse the airport for all fines or penalties imposed by the federal Government for security breaches caused by the Contractor, supervisors, and subcontractors.
  - n. Failure to follow or enforce security rules and regulations can lead to work being stopped and the work site being closed until security violations have been corrected. The costs and expenses for closing the work site during a security violation shall be the responsibility of the Contractor.
6. ELP Construction Security Procedures Tool Management Plan
- a. The "Tool Management Plan" is for all construction projects that take place in the public areas of terminal concourses (sterile area) to include "back of house" areas such as offices and concessions within the Security Identification Display Area/Air Operations Area (SIDA/AOA). Mobilization of the "Tool Management Plan" must proceed all phases

of construction and will be enforced for the duration of the project. The following procedures will be implemented.

- i. Work hours shall be determined by stake holders, airport development, airport operations and the contractors.
- ii. The General Contractors' (GC) Safety/Security Officer is responsible for the implementation and maintenance of the Tool Management Plan.
- iii. The plan will be reviewed with all construction workers prior to each shift.
- iv. The GC Safety/Security Officer is responsible for the tool box inventory that must be maintained by each sub-contractor. Each Sub-contractor must designate a tool box monitor.
- v. Consult the "Prohibited Items" list at [www.TSA.gov](http://www.TSA.gov).
- vi. The GC Safety/Security Officer will prepare the tool box inventory form, which must be completed by each sub-contractor and kept in the tool box at all times.
- vii. Each sub-contractor tool box monitor must also inventory all hand tools brought to the job site by individual workers prior to each shift. This refers to tools carried in the individual's tool belt or tool bag. The inventory of these tools must be kept in the sub-contractor's tool box.
- viii. Each subcontractor will store its inventoried tools in the locked box kept in the secure areas on the ramp, or concourse.
- ix. Unlocked tool boxes **must** be monitored at all times by the sub-contractor's tool box monitor.
- x. All hand tools will be checked out on the tool inventory list to an individual worker by the sub-contractor's tool box monitor.
- xi. Each worker is personally responsible for the hand tools he/she checks out.
- xii. Consumables (e.g. razor blades) are included in the tool box inventory, and may be removed from the inventory and disposed of only by the GC Safety/Security Officer.
- xiii. The individual who checked-out a tool must return it to the sub-contractor's tool box monitor. The tool will be checked-in by the tool box monitor.
- xiv. Tools must be kept within five feet of the worker responsible at all times. Unattended tools will be confiscated and returned to the GC Safety/Security Officer.
- xv. It will be the responsibility of the sub-contractor tool box monitor to reconcile the tool inventory at the conclusion of each shift. The GC Safety/Security Officer **must** verify the accuracy of the inventory at the end of each shift prior to workers leaving the job site.
- xvi. The sub-contractor's tool box monitor will submit the daily tool box inventory to the GC Safety/Security Officer who will be responsible for maintaining the permanent document files.
- xvii. The GC Safety/Security Officer will submit a summary of the hand tool inventory weekly to the ELP Airport Project Manager.
- xviii. If the GC Safety/Security Officer determines tools are missing at the end of the shift or during a shift, the appropriate authorities will be notified immediately: ELP Airport Operations @ 915-212-0333.

- xix. **ZERO TOLERANCE** is being observed for any employee who leaves a tool unattended. The offending employee will be escorted from the work site by the GC Safety/Security Officer and will be removed permanently from the project.
  - xx. ELP Airport and/or the Transportation Security Administration (TSA) representatives may randomly monitor the overall construction area at any time and check the tool box inventories.
  - xxi. Work zones that will be established for longer than 24 hours will be separated from the public by barriers or a demising wall.
  - xxii. Existing concourse trash receptacles will not be allowed in the designated construction area. Construction trash receptacles will be provided in the work zone for the disposal of all construction trash. Receptacles must be removed from the work zone at the end of each shift.
  - xxiii. The GC Safety/Security Officer **must** conduct a security sweep of the construction area at the end of each shift. ELP Airport representatives may participate in the security sweep at their discretion. It is the responsibility of the GC Safety/Security Officer and Night Superintendent to validate if the security sweep is successful.
  - xxiv. Primary access for all employees, tools, equipment, and materials to the construction area will be from the AOA via a manned AOA gate. Employees will be restricted from accessing an employee portal inside the terminals. Employees may access a TSA screening checkpoint however, **NO tools on the TSA prohibited items list are allowed.** All Vehicles and persons entering the AOA thru the designated construction security gate are subject to search.
  - xxv. Employees are restricted to the work area designated by the CG/Safety Officer. The CG/Safety Officer or designee will monitor the work zone to ensure employees do not use public restrooms, concessions, or any other facilities in the concourse. Employees who violate these provisions are subject to removal from the project.  
**NO EXCEPTIONS.**
- b. The following procedures will be used in the non-public area of the terminal construction areas.
- i. Tools used over the long term may be staged within the construction area in locked boxes. One lock box will be permitted per trade, to reduce the number of trucks entering the AOA on a daily basis.
  - ii. Employees are allowed to wear their personal tool belts and hand carry tools into the construction on a daily basis.
  - iii. One truck per day will be allowed to deliver tools to the construction area. Vehicles must be permitted by ELP Airport to enter the AOA.
  - iv. The GC's Safety/Security Coordinator will monitor the construction area on a daily basis.

## 7. DEFINITIONS:

- a. **Security Identification Display Area (SIDA).** The area of airport property outside of the terminal building and within the security fence where entry to the area is controlled by access card and/or guard posts. Additionally, all cargo facilities, descriptively known as Cargo 2, Cargo 3, and Cargo 4. An airport identification badge configured to the SIDA must be displayed by unescorted individuals in the area at all times.

- b. **Secured Area.** All areas of airport property within the security fence and outside of the SIDA. An airport identification badge configured to the area must be in possession of all unescorted individuals in the secured area.
- c. **Sterile Area.** Those portions of the airport terminal beyond the Transportation Security Administration screening inspection points. All contractors, supervisors and subcontractors must be processed through the screening inspection process or under the assigned escort of airport operations when entering the sterile areas of the airport.
- d. **Escort.** An individual granted unescorted access to secure areas of the airport may escort non-badged individuals into secure areas for official business purposes. Escort is a common-sense process; the person/persons being escorted must have official business in the area and be strictly controlled by the badge individual. An individual granted escort authorization in the SIDA and Sterile areas must have an “E” designation on their airport identification badge.

## **SAFETY REQUIREMENTS**

- A. Contractor shall comply with all OSHA standards and regulations.
- B. Contractor shall provide personnel with, and ensure their use of, the safety devices/apparel described below, as required at the Airport:
  - 1. Approved back support and protective devices
  - 2. Eye protection in compliance with ANSIZ87.1. -1968
  - 3. Hearing protection
  - 4. Safety shoes
  - 5. Other safety devices/apparel as conditions warrant
- C. The City reserves the right, at its discretion, to inspect all areas for safety violations, direct Contractor to make immediate improvement of necessary conditions and/or procedures, and/or stop the work if other hazards are identified.
- D. In the event the City should elect to stop work due to any safety hazard after Contractor has been notified and provided ample time to correct, Contractor shall bear all costs for eliminating the hazard(s) and shall not be granted compensation for the work stoppage. Contractor shall pay all additional expenses.
- E. Aisles, passageways, alleyways, entrances, exits and rights-of-way to fire protection equipment must be kept unobstructed at all times. All areas of the Systems, including under the conveyor sections and surrounding areas, shall be cleaned of debris by Contractor at least once on the a.m. shift and once on the p.m. shift for a minimum of two (2) times per day.
- F. Contractor shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the performance of this Contract. Contractor shall take all necessary precautions for safety of, and shall provide

reasonable protection to prevent damage, injury or loss to, persons, properties, equipment and vehicles.

- G. Damage caused by Contractor to any City-owned property shall be repaired and have any needed replacements made to the satisfaction of the City at the expense of Contractor. The City, at its sole direction, may elect to repair or replace the damaged property, and deduct such costs from monies due Contractor.