2022

Employee Benefits and Health Insurance Brokerage Services



REQUEST FOR PROPOSALS NAA-2022-02-10

NORFOLK INTERNATIONAL AIRPORT NORFOLK, VIRGINIA

Prepared By: Norfolk Airport Authority

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SECTION I - PROJECT OVERVIEW

1.1 Request for Proposal Synopsis

The Norfolk International Airport Authority (Authority) is seeking proposals from experienced individuals or firms to provide Employee Group Benefits and Health Insurance Broker services. The Broker shall provide expertise, personnel and resources to ensure the minimum professional services as depicted in Section 1.3 of this document.

1.2 Description of Existing Conditions

A. Description of Entity

Norfolk International Airport (ORF) is the major airport serving Southeast Virginia and Northeast North Carolina with 60 daily departures provided by Allegiant, American, Breeze Airways, Delta, Frontier, Southwest, United and their regional airline partners.

Norfolk International Airport (ORF) is owned and operated by the Norfolk Airport Authority (Authority). The Authority is a political subdivision of the Commonwealth of Virginia and is located in the City of Norfolk, VA. The Authority is governed by a Board of Commissioners and managed by an executive director. The Authority will serve as the fiscal agent for this RFP.

The Authority operates within the Cities of Norfolk and Virginia Beach providing domestic and international flights as well as general aviation capabilities to the southeastern Virginia and Northeast North Carolina areas. The airport is comprised of over 1100 acres of land and facilities. Most of the property and facilities fall within the City of Norfolk, with many of the general aviation facilities within the City of Virginia Beach to the east.

The Authority employees approximately 200 employees. Approximately 154 employees and their families are receiving medical and dental benefits through the Authority's plans.

B. Current Insurance Overview

<u>Medical Plan – For full-time employees only</u>: Choice of one of the following **Optima** Health plans:

• POS 1000/25/30% - \$1,000/ individual or \$2,000 / family deductible, \$25 copayment per visit, 30% coinsurance.

• Equity POS 3000/0% - \$3,000 / individual or \$6,000 / family deductible. HSA plan eligible.

• Equity Vantage 3000/0% (HMO\$3,000 / individual or \$6,000 / family deductible. HAS plan eligible.

Section 1 Project Overview • Prescription Copay for all plan: \$10 – Generic Drugs, \$30 – Tier 2, \$50 – Tier 3, 20% - Specialty Drugs

<u>Tricare Supplement</u> – Selman Company offers a one-of-a-kind supplemental benefit that wraps around Standard, Extra, and Prime to pick up covered out-of-pocket expenses for the insured. Employees and their dependents may be eligible to participate in the Tricare Supplement Plan if the employee is:

- Retired from the military
- A spouse of a retired military or active duty service member
- Enrolled in TRICARE Reserve Select (TRS)
- A spouse of a disabled veteran and have CHAMPVA

Opt Out Plan - Company paid monies placed into a Medical Flexible Spending Account. Employees who do not elect medical coverage through the Authority will be eligible to receive \$500.00 / plan year. Proof of other health insurance is required.

Dental Insurance – United Concordia Dental PPO

• Employee can see any dentist (Discounts are available if you utilize the Dental PPO network)

- Preventive services paid at 100% of "usual and customary charges"
- Basic Services covered at 80% and Major Services covered at 50% after deductible

Vision Insurance – VSP Vision Care

- Base plan coverage consists of:
 - o\$20 co-pay every plan year
- Well Vision Exam every 12 months

 OPrescription Glasses
- Lenses every 12 months
- Frames every 24 months
 Contact Lens Care
- Every 12 months
- Premier plan coverage consists of: o\$20 co-pay every plan year
- Well Vision Exam every 12 months
 OPrescription Glasses
- Lenses every 12 months
- Frames every 12 months
- Contact Lens Care
- Every 12 months

<u>Life and Disability Benefits</u> - Basic Life and AD&D is an employer paid benefit through the **Virginia Retirement System (VRS)**. All full-time employees are provided with basic life and AD&D benefits equal to 2x annual salary.

<u>Employee Paid Supplemental Life Insurance</u> is a voluntary benefit provided through Securian Life

- Life insurance coverage up to 4X an employee's salary
- Spousal and Dependent children coverage available

Flexible Spending Account administered by WageWorks / Health Equity

- IRS approved tax-free accounts that allow you to set aside a portion of your salary as pre-tax dollars for reimbursement of certain health and dependent care expenses
- Employees may contribute a maximum of \$2,750.00 annually to their medical account and \$5,000.00 annually to their dependent care account each plan year.

Legal Plan administered by Legal Resources

- All attorney fees for legal services listed are either covered in full at 100% or discounted 25%, depending on the legal matter.
- Monthly cost includes unlimited use of covered services for all covered family members.
- This plan is portable and has nationwide coverage.

Supplemental Retirement Plans through Mission Square

<u>457 Retirement Plan</u> - The 457 plan allows you to put away dollars on a pre-tax basis into an investment savings account. Plan limits vary based on IRS guidelines.

<u>Roth IRA</u> - The 457 plan allows you to put away dollars on a post-tax basis into an investment savings account. Plan limits vary based on IRS guidelines.

<u>Personal Insurance Products</u> - Colonial Life offers a broad line of personal insurance products including short term disability, accident, life, cancer, critical illness, and hospital confinement that could be designed according to the employee's needs.

Employee Assistance Program (EAP) – **Optima EAP** provides a simple and confidential means to seek and obtain professional assistance for resolving day to day personal and short-term resolution-oriented program to meet the employee and /or their family's needs. It covers such areas as alcohol and drug abuse, family/children problems, marital relationships, and job conflict, depression, stress and legal/financial issues. Employees and their dependents can take advantage of 3 visits per issue per year. This benefit is provided at no cost to employees.

1.3 Project Objectives and Scope

The Authority is seeking a qualified health benefits agent/ broker to provide Employee Benefit Brokerage and Consulting services related to the Authority. The Authority is interested in a qualified firm capable of taking a creative, innovative approach to the rising costs of health care and employee benefits, while maintaining fiscal responsibility. The Authority wishes to maintain or improve upon current services levels to its employees and reduce costs where possible.

The Authority desires to offer benefit choices to fit employee needs or preferences, to work to provide the level of coverage currently offered at an affordable contribution rate, and to maintain employee satisfaction with these services. The selected firm shall provide oversight and guidance on how to best manage healthcare costs, both currently and into the future.

The selected firm will be expected to represent the Authority in all negotiations with insurers, underwriters, intermediaries, insurance regulators and other parties for duration of the term of this agreement. Broker will use its commercial best efforts to secure specified insurance coverages on the Authority's behalf. In the event an insurance company cancels or refuses to place such coverages, Broker will use its commercial best efforts to obtain the coverage from another insurance company.

The Authority desires the selected firm to also review and analyze claims experience, claims services, and claim administration to ensure a maximum benefit to the Authority and to provide an in-depth analysis of current plans and proposed alternatives and assist with the process of selecting the most favorable renewal options.

The selected firm shall appraise the Authority of local and national benefit trends and provide benchmark survey data to help regulate program offerings with employee and employer costs compared to similar organizations within the public sector.

The selected firm shall keep the Authority compliant with federal, state and local laws and regulations related to employee benefits, including ACA, HIPAA, Medicare Part D, and CHIPRA.

1.4 Projected Timeline (all times are Eastern Time)

RFP Posted –January 10, 2022

Questions Due – January 21, 2022 at 5:00 p.m.

Responses to Question posted – January 28, 2022- 5:00 p.m.

Proposals due – February 10, 2022 – 2:00 p.m.

Interviews (Tentative and if required) – Week of February 21, 2022

Contract Award (Tentative) – March 4, 2022

Section 1 Project Overview

1.5 Preproposal Conference

There is no schedule preproposal conference for this offering.

1.6 Questions

The Authority encourages all prospective offerors to present any questions regarding the Proposal Documents at the Preproposal Conference (if applicable). Offerors may submit written questions about the Proposal Documents by email by January 21, 2022 at 5:00 p.m. to Steve Sterling, at ssterling@norfolkairport.com.

The Authority may issue addenda to the Proposal Documents as it determines appropriate in response to questions received. Such addenda and any official answers will be posted on the Authority website and distributed by email to potential offerors who signed in at the Preproposal Conference (if applicable) or who have otherwise registered for the proposal.

1.7 Submission of Proposals

Proposals will be received until the Due Date which will be Thursday, February 10, 2022 – 2:00 p.m.in the offices of the Authority at the following address:

Norfolk Airport Authority Norfolk International Airport 2200 Norview Avenue Norfolk, Virginia 23518 Attn: Employee Benefits Brokerage Services RFP Proposal

At the Due Date (Thursday, February 10, 2022), Proposals will be publicly opened in Conference Room B, Airport Conference Center, Norfolk International Airport, 2200 Norview Avenue, Norfolk, Virginia 23518. Proposals must be delivered in sufficient time for receipt by the Authority not later than the Due Date. It is the sole responsibility of the Offeror to assure that the Authority receives the Proposal prior to the time specified. Proposals or modifications thereto received after the Due Date will not be considered.

1.8 Copies

Copies of the Proposal Documents are available by visiting the Norfolk International Airport website, under the Business Opportunities link at <u>http://www.norfolkairport.com/business-opportunities</u>, or upon request to:

Steven Sterling, Deputy Executive Director Norfolk Airport Authority Norfolk International Airport 2200 Norview Avenue

> Section 1 Project Overview

Norfolk, Virginia 23518

ssterling@norfolkairport.com

1.9 Unauthorized Contact

Except for communications specifically authorized herein, contact with any official or employee of the Authority, including any Commissioner, in connection with this procurement or the Proposal Documents is prohibited and may be cause for disqualification of the Offeror. The Authority will not meet individually with any Offeror prior to receipt of Proposals. **Proposers are directed not to approach any market on behalf of the Authority during the RFP process.**

SECTION 2 - PROPOSAL FORMAT

2.1 Proposal Submittal

The Proposal must be signed on behalf of the Offeror and acknowledged as specified on the Proposal Form. Optional or additional items must be clearly identified. An original and two (2) copies of the Offeror's Proposal and all attachments must be contained in an envelope which shall be sealed, conspicuously endorsed with the Offeror's name, the words "Employee Benefits Brokerage RFP", with the date, time and place the Proposal is to be received. Responders must also submit one (1) electronic copy of their complete response on a thumb drive utilizing Microsoft Office tools. Proposals should be prepared simply and economically, providing a straightforward, concise description of capabilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of content. All pages of the Proposal should be numbered. Each copy of the Proposal should be bound or contained in a single volume where practical. All documentation submitted with the Proposal should be contained in that single volume.

2.2 Proposal Submittal Requirements

Offerors should utilize Plain English and not industry jargon wherever possible, and submit a

response that follows the following format:

1. Table of Contents

A Table of Contents is required to outline the major sections of the written proposal in sequential order. All pages must be consecutively numbered and correspond to the table of contents.

2. Cover Letter

The cover letter will provide a brief history of the Offeror, its organization and any partnerships, if applicable. The letter will indicate the principal or officer of the Offeror organization who will be Authority's primary point of contact during the RFP process. This individual must have the authority to officially provide information concerning all aspects of the scope of services and provisions on behalf of the Offeror. A company officer authorized to bind the Offeror to the terms and conditions of this RFP must sign the cover letter transmitting the Proposal.

3. Executive Summary

The Offeror will provide an executive summary that presents in concise terms the Offeror's understanding of the RFP. In addition, the Offeror must clearly and specifically detail any and all exceptions to the Terms and Conditions and other criteria identified in this RFP.

4. Offeror Response

The Proposal shall include completed Proposal Forms in Section 3 and the following information about Offeror which must accompany the Proposal Form:

- a. The legal name and principal address of the Offeror.
- b. The nature of the Offeror entity, i.e. corporation, partnership, individual, limited liability company or other.
- c. If Offeror is a corporation, the following must be provided:
 - i. The full name and address of each officer and director.
 - ii. Certificate of good standing issued by the Virginia State
 Corporation Commission not more than thirty (30) days prior to the Due Date.
 - ii. The identification number issued by the State Corporation Commission.
 - iii. If the Offeror is not incorporated under the laws of the Commonwealth of Virginia, a certificate of good standing from the state of incorporation and a certificate from the Secretary of the State Corporation Commission evidencing the Offeror's legal qualification to transact business in Virginia.
- d. If Offeror is a partnership or joint venture, the following must be provided:
 - i. The full legal name and address for each partner, designating any general partners and limited partners.
 - ii. A copy of Offeror's partnership agreement.
 - iii. Evidence that the Offeror is legally qualified to transact business in Virginia.
- e. If Offeror is a limited liability company, the following must be provided:
 - i. A statement of the names and addresses of the members designating any managing members.
 - ii. A copy of Offeror's articles of organization.
 - iii. A copy of the current operating agreement.
 - iv. Evidence that Offeror is legally qualified to transact business in Virginia.
- f. If any of the officers, directors, partners, members, or other parties identified in the responses to subsections (c), (d), and (e) above is an entity and not an individual, provide the information requested in subsections (c), (d) and (e) above, as appropriate, for each such entity.
- g. The name, address, and nature of any other business enterprise currently owned or operated by Offeror.

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- h. State whether Offeror or any of its Officers has been convicted of any felony crime.
- i. Certify by signing the Proposal Form that the Offeror, and each officer, director, employee, and agent of Offeror who will be directly involved in the supervision, direction, management, or operation this project, has never been convicted of, and does not have pending criminal charges of, the disqualifying criminal offenses listed in 49 CFR §1542.209(d).
- j. State whether Offeror has ever been found to be in violation of any regulatory order of any local, state, or federal governmental agency. If so, provide information regarding each such violation.
- k. State whether Offeror has any pending criminal charges or is a party to any pending civil or administrative proceeding. If so, provide information regarding each such pending charge or proceeding.
- I. State whether Offeror has ever filed a bankruptcy, reorganization, insolvency, or similar action or proceeding under any state or federal law. If so, provide information regarding each such proceeding.
- m. Provide the information requested in subsections (g) through (o) for each Controlling Party of Offeror. For purposes of this RFP, a Controlling Party is a shareholder, officer, director, member, or partner of Offeror who either (i) owns or controls an interest in the Offeror which equals or exceeds fifty percent (50%) of Offeror's units of ownership or control, or (ii) has authority for the management and supervision of the development and submittal of Offeror's Proposal for this Contract or the anticipated provision of services pursuant to Offeror's Proposal.
- n. If applicable, provide complete information and documentation pertaining to Proposer's status as a Disadvantaged Business Enterprise (DBE).

5. **Proposer and Sub-Proposer Company Information**

- a. Provide the complete legal name of proposer (including the name of any parent company) and a brief history. Describe proposer's organization and segmentation. Include an organization chart, which indicates key team members who will be working on this project. Indicate the number of years in business under company organization. Identify office location or locations of proposer's primary place of business and any sub-contractors. Identify any sub-contractors that will be performing portions of the work. List the names and titles of key management personnel.
- b. Describe proposer's qualifications to provide Group Benefits and Health Insurance Brokerage Services to the Authority, including:
 - i. Describe any unique services your firm provides which sets your firm apart from other similar firms.

Section 2 Proposal Format

- Length of time and experience in providing Group Benefits and Health Insurance Brokerage services to small, medium and/or large hub commercial service airports and other public entities.
- Provide a list of current clients and the carriers utilized. In addition, provide the amount of any commission/incentive the proposer receives from the carrier.
- c. Indicate proposer's specific experience in the marketing, negotiation, servicing, and placement of the policies outlined on the Benefits Summary. (2 pages maximum)
- d. Briefly describe:
 - i. The extent to which the services outlined in Section 1.3 Project Objectives and Scope are available from proposer;
 - Who will provide the services including which individual will be responsible for each function and the office in which they are located;
 - iii. Proposer's plan for delivery of service; and
 - iv. Specialized or auxiliary services included within your Proposal or available from affiliated organizations. Identify any conditions or restrictions affecting the Authority's access to these services. (10 pages maximum)
- f. Describe your benefits marketing experience to assist the Authority in evaluating your presence in and understanding of the marketplace, including (10 pages maximum):
 - Describe your contractual relationships, if any, with organizations or entities necessary to your proposal's implementation (i.e. actuarial services, data information services, etc.).
 - ii. Describe the insurance marketing expertise of your servicing office and the firm with respect to public-sector and/or other governmental units.
 - iii. Describe your experience with self-funding. How many selffunded clients do you have/ have you had?
 - iv. Describe any additional services offered by your company that may be of interest to the Authority.
- g. Identify what distinguishes your firm from others and summarize why your firm should be considered the proper choice as the Authority's agent. What are your acknowledged weak points and what are you doing to correct these? (2 pages maximum)

- h. Describe your organization's anticipated involvement in the annual renewal process. Include information regarding process timeframes, negotiation of rates and vendor selection.
- Additional References
 Two references in support of your firm's ability to provide the Authority's benefits services (1 page maximum); and
- j. A resume on each individual of the proposed team outlining academic background, work experience, length of service with firm, current responsibilities on existing accounts or on other accounts in which team member may become involved in, and any other pertinent information the individual wishes to convey (Label as Appendix A in proposal);

6. Clients References

Provide references from five (5) current clients of airports or public/governmental entities that are similar or larger in size and scope to the proposed Authority project.

7. Cost/Pricing Proposal

A detailed scope of services for all material, labor, equipment, services and training necessary to furnish the proposed services. Proposal must include:

- a) Your firm's proposed flat annual fee for the initial three-year term and for three one-year extension options for a total of six years.
- b) Confirm that, under a broker's flat-fee agreement, your agency will secure the employee benefits products without commission being paid to anyone and that the premium will be reduced by elimination of the built-in commissions.
- c) Whether your agency will reduce its annual fee by any equal amount of commission your agency receives on any placements that must pay commission and not quote on a "net premium" basis.
- d) Any alternative compensation structure your firm wishes to propose.

2.3 Failure to Comply with RFP

It is essential that the information and requirements of the Proposal documents be carefully studied and adhered to in the preparation and submission of Proposals. Failure to comply with the restrictions and provisions contained herein may be cause for rejection of the Proposal.

2.4 Incorporation of Representations

In making a Proposal, the Offeror expressly offers to assume all the obligations and liabilities contained in the Proposal Documents, including the representations and warranties made by the Operator in the Contract.

2.5 Offeror's Expenses

The Authority will not return Proposals. All expenses for preparing, presenting, and submitting Proposals or for travel in connection with Proposals shall be borne by Offeror. The Authority is not liable for any expense incurred by Offeror prior to the issuance of the final Contract.

2.6 Addendum to RFP

If the Authority issues an addendum to the Contract prior to the date established for receipt of Proposals, Offeror shall acknowledge the addendum(s) on the proposal sheet. By acknowledging the addendum, the Offeror agrees that the terms of the addendum are incorporated into the Contract. The Authority shall have the right to refuse to consider the Proposal of an Offeror who fails acknowledge such addendum prior to the date and time established for receipt of Proposals.

2.7 Burden on Offeror

It is the burden of Offeror to provide evidence in its Proposal that it is fully competent to provide the Insurance Brokerage Services and that it has the necessary experience and capacity to fulfill the requirements of the Proposal Documents.

2.8 Additional Information

In addition to the specific requirements set forth in the Proposal Documents, the Authority may give oral or written notice to any Offeror at any time to furnish additional information, either in writing or in a verbal presentation, to representatives of the Authority relating to its qualifications to perform the obligations imposed by the Proposal Documents. The requested information shall be furnished in the format and within the time frame specified by the Authority. The giving of this notice to any Offeror shall not be construed as an acceptance of Offeror's Proposal.

2.9 Acceptance or Rejection of Proposals

The Authority reserves the right to withdraw the Request for Proposals at any time for any reason, to reject any or all Proposals or modifications thereto, and to waive any defects in form in any Proposals received.

2.10 Negotiations

The Authority may award a Contract based on the initial Proposals received, without conducting any negotiations or discussions concerning such Proposals; each initial Proposal should be submitted on the most favorable terms. After receipt of Proposals, negotiations may be conducted with one or more Offerors as determined by the Authority.

2.11 Notice of Award

Within sixty (60) days after the Due Date for receipt of Proposals, or as soon thereafter as it may act, the Authority will select one of the Proposals and will reject all other Proposals. The selection of a Proposal shall be deemed to constitute the Contract of the Selected Offeror to execute a Contract on the terms set forth in the Proposal as may be modified by any negotiations. Notwithstanding the foregoing, the selection of a Proposal shall not be effective and binding upon the Authority until the agreement has been formally executed by both parties.

The selection of a Proposal will be by written Notice of Intent to Award the Contract, specifically indicating a Selected Offeror and signed by an Authorized Representative of the Authority. No other act of the Authority, its Commissioners, agents, or employees shall constitute the selection of a Proposal.

2.12 Basis for Award

The basis for award will be as indicated in 2.12.1 (Evaluation Factors) and 2.12.2 (Sources of Information).

2.12.1Evaluation Factors

The Authority reserves the right to make any award on the basis of the Proposal that the Authority determines, in its sole discretion, best meets the requirements of the Authority as set forth in the Proposal Documents. The Authority's selection of a Proposal will be based upon an evaluation of the Offeror as being both responsive and responsible and as being the most advantageous to the Authority, with no single evaluation factor being necessarily determinative. The Authority reserves the right to consider the following factors and others without specific prior identification, and without predetermined weight, as it may deem appropriate in evaluating the Proposals received and making its selection: annual fee for broker services, approach to providing broker services including service capacity and capabilities, assigned team qualifications, office location, relevant experience.

2.12.2Sources of Information

In the process of evaluation, the Authority may acquire and use, to the extent deemed necessary, information obtained from the following sources:

- The Offeror, including representations and other data contained in Offeror's Proposal or other information provided by Offeror.
- Other information available to the Authority, including financial data and records concerning Offeror's performance.
- Publications, including credit ratings, trade and financial journals or reports.
- Other sources, including banks or other financial companies; state, county and municipal departments and agencies; and other airports.
- The results of background investigations of Offeror made to verify information furnished or to secure additional information the Authority may deem necessary or desirable. In addition, the Authority reserves the right to audit or to appoint a competent representative to audit the books and records of any Offeror to verify its financial responsibility.

2.13 Execution of Contract

Within twenty (20) calendar days after Authority's receipt from the Selected Offeror of copies of all required permits, licenses, and certificates, the Authority shall deliver or mail to the Selected Offeror, in duplicate, the final Contract completed in accordance with the Proposal submitted by Offeror and as accepted by Authority.

Within ten (10) calendar days thereafter, the Selected Offeror shall deliver both copies to the Authority, with the Contract duly executed by it, and the Proposal Guarantee required in the Contract. Upon receipt, the Authority will execute both copies and return one to the Selected Offeror.

2.14 Failure to Execute Contract

Should the Selected Offeror fail or refuse to execute the Contract as provided herein, or otherwise default on the Contract created by the Authority's acceptance of the Selected Offeror's Proposal, the Proposal Guarantee submitted by the Selected Offeror and any interest thereon shall become the property of the Authority, without the necessity of any further action on the part of the Authority, not as a penalty, but as liquidated damages. Offerors acknowledge that the Authority has incurred costs and will incur additional costs and damages by reason of such default and that such damages are difficult to determine.

Upon failure or refusal to execute the Contract, the Authority reserves the right to accept the Proposal of any other Offeror. Neither the exercise of such right by the Authority nor the failure to do so shall operate as a release by the Authority of the defaulting Offeror as to any claims or rights that the Authority may have against such defaulting Offeror pursuant to the preceding paragraph or otherwise.

2.15 Failure to Obtain Permits

If the Authority determines, in its sole discretion, that Selected Offeror has failed to diligently and promptly apply for or pursue all required permits, licenses, and certificates or failed to obtain the permits, licenses, and certificates required to operate within the time period provided herein, including any extension of time authorized by the Authority, the Authority may (i) withdraw the Notice of Intent to Award the Contract to the Selected Offeror and issue a Notice of Intent to Award to another Offeror submitting the Proposal with the best overall benefit to the Authority, or (ii) withdraw the Proposal Documents without making an award, or (iii) take such other action as the Authority shall determine appropriate.

SECTION 3 - PROPOSAL FORMS

PROPOSAL FORM EMPLOYEE BENEFITS BROKERAGE SERVICES NORFOLK INTERNATIONAL AIRPORT TO: NORFOLK AIRPORT Authority, The undersigned (*)

hereby offers to enter into a contract with the Norfolk Airport Authority (the "Authority") in the form entitled "Contract" attached hereto, and agrees to provide necessary expertise, personnel and other resources to provide Employee Benefits Brokerage Services at the Norfolk International Airport as specified in the Contract and Terms and Conditions attached hereto and made a part thereof. Proposed fees are to be applicable for the entire period of the Contract.

- A. The Proposal.
 - 1. This Proposal shall be irrevocable for a period of one hundred twenty (120) days after the Due Date. To induce the selection of this Proposal by the Authority, the Offeror hereby makes each and every representation and agreement made by "Operator" in the Contract and agrees that the selection of this Proposal shall have the effect provided in the Request for Proposals furnished herewith and that effect only.
 - 2. The Offeror agrees: (i) that upon submission to the Authority, the Proposal and all information provided with the Proposal shall become the property of the Authority; and (ii) that none of the information, regardless of the form of communication, provided to the Authority by the Offeror, or its officers, agents, or employees, is given in confidence. All or any part of the information may be used or disclosed by or on behalf of the Authority without liability of any kind. All financial or other information given as a part of this Proposal will remain confidential only to the extent specifically claimed by Offeror and, at Offeror's expense, determined by a court of competent jurisdiction to be exempt from public disclosure pursuant to the Virginia Freedom of Information Act or any similar law or regulation.
 - 3. Offeror must invoke the protections of § 2.2-4342F of the Code of Virginia, 1950, as amended, in writing, either before or at the time the data or other material is submitted. The written notice must specifically identify the data or materials to be protected and state the reasons why protection is necessary. The proprietary or trade secret material submitted must be identified by some distinct method such as highlighting or underlining and must indicate only the specific words, figures, or paragraphs that constitute trade secret or proprietary information. The classification of an entire Proposal document or Proposal fees as proprietary or trade secrets is not acceptable.

- B. Offeror's Representations and Warranties.
 - 1. The Offeror hereby affirms that the Proposal contained herein is in no way conditioned upon any predetermined level of staffing, aviation or passenger activity at the Airport, past, present, or future. Offeror has not relied on any representation of the Authority, either orally or in writing, as to the level of business at the Airport before or during the term of the Contract, nor of any factors that might bear on such business potential. The Proposal contained herein is based solely on Offeror's own knowledge of the type of business associated with the Contract and its own assessment of the market potential at the Airport.
 - 2. The Offeror has read, understands, and fully complied with all terms, conditions and provisions set forth in the Proposal Documents.
 - 3. The Offeror is fully qualified and competent to successfully provide Employee Benefits Brokerage Services at the Airport. The Offeror will fully comply with all the requirements stated in the RFP documents.
 - 4. The Offeror has submitted an accurate and complete Proposal and has provided all the information requested by the Authority. The Offeror acknowledges that all of the information submitted by the Offeror and all of the warranties and representations made by the Offeror will be relied upon by the Authority. This Proposal is fully responsive to the RFP and meets or exceeds all the specifications contained in the RFP (unless otherwise expressly indicated by the Offeror in this Proposal).
 - 5. Neither the Offeror, nor any of the Offeror's officers, directors, owners, employees or representatives has in any manner conspired, colluded or agreed, directly or indirectly, with any person, firm, corporation or other Offeror or potential Offeror to unfairly compete or compromise, in any way, the procurement process, and the Offeror has not paid or agreed to pay, directly or indirectly, any person, partnership, company, association, organization, corporation or any other Offeror or any potential Offeror and has not paid any money or provided any other valuable consideration to any party for providing assistance in seeking acceptance of the Proposal or attempting to seek acceptance of the Proposal or fix the proposed terms, conditions or provisions of this Proposal or any other Proposal of any other Offeror, and hereby states that no such money or other reward will be hereinafter paid.
 - 6. No officer, director, owner, employee, or representative of the Offeror is related to any employee, officer, or Commissioner of the Authority except as noted herein below. For Offeror, each Controlling Party, and each officer, director, employee, and agent of Offeror who will be directly involved in the supervision, direction, management, or operation of the implementation of the Employee Benefits Brokerage Services, Offeror hereby certifies that no such individual or entity has ever been convicted of, and does not have pending criminal charges of, the disqualifying criminal offenses listed in 49 CFR §1542.209(d). Offeror further certifies that no individual who has been convicted of, or has pending criminal charges of, the disqualifying criminal offenses listed above, or who has been classified as a sexual predator, will perform any work pursuant to the Proposal

Section 3 Proposal Forms Documents on the Authority, unless the Offeror obtains the express prior approval of the Authority for that particular individual.

- 7. Offeror agrees that if awarded the Contract, it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of this Contract. The Offeror agrees to include the above statement in any subsequent Contracts that it enters and cause those businesses to similarly include the statements in further agreements permitted under this procurement.
- 8. All DBE participants under the Contract must be certified by the proper authorities. Any DBE not so certified shall submit a copy of its application for certification with its Proposal.
- 9. The Offeror shall submit such reports or other documentation in the format as may be required by the Authority for the purpose of demonstrating compliance with this section.
- C. Disadvantaged Business Enterprise.
 - The Offeror DOES _____ DOES NOT _____ wish (check one) consideration as a Disadvantaged Business Enterprise. If Offeror has indicated a desire for consideration as a Disadvantaged Business Enterprise, attach Schedule A, "Schedule of Information for Determining Disadvantaged Business Eligibility" to Proposal. If Offeror is seeking consideration as Disadvantaged Business Enterprise, is Offeror a joint venture? YES _____ NO _____. If a joint venture, attach Schedule B, "Schedule for Information for Determining Disadvantaged Business Enterprise Joint Venture Eligibility" to Proposal submitted hereunder.
- D. <u>Representative.</u> The entire Proposal and all of the Proposal Documents, all papers required by it and all exhibits and other papers made a part thereof by its terms are incorporated herein and made a part of this Proposal. The undersigned hereby designates the following contact information for notices to be delivered or mailed:

The designated representative of the Offeror is: ______

The mailing address of Offeror is:

The telephone number of the Offeror is: ______

The facsimile number of the Offeror is: ______

The e-mail address of the Offeror is: ______

E. <u>Proposal Guarantee</u>. A Proposal Guarantee in the form of a cashier's check, a certified check or a bid bond issued by a surety authorized to do business in the Commonwealth of Virginia and made payable to the Norfolk Airport Authority, in the amount of five percent (5%) of the Offeror's proposed annual costs accompanies this Proposal. Cash or other types of checks will

not be accepted. The Proposal Deposit, which has been included with this Proposal, is submitted to the Authority by the Offeror with the full understanding that:

- 1. It guarantees that the Offeror will not withdraw its Proposal for a period of one hundred twenty (120) calendar days after the Due Date. If the Proposal is accepted by the Authority, the Offeror will, in a timely manner, enter into the Contract with the Authority, provide all other information and materials to the Authority, and meet or perform all other obligations within thirty (30) calendar days of written Notice of Award.
- 2. The Offeror's failure to enter into the Contract with the Authority, provide all other required information and other materials to the Authority, or meet all other obligations within thirty (30) days after the date of written Notice of Award shall be just cause for cancellation of the award by the Authority and the forfeiture of Proposal Deposit, which forfeiture shall be considered not as a penalty, but in liquidation of damages sustained by the Authority.
- F. Addendum Acknowledgement

The following addendum (addenda) is (are) acknowledged in this RFP (please list):

Witness the following signature(s):	
SIGNATURE(S): *	
Name of Offeror:	
Signed By:	
Printed Name:	
Title:	
Date:	

* (*) Insert Offeror's name. If a corporation, give the state of incorporation, using the phrase, "a corporation organized and existing under the laws of the State of". If a partnership, give full names of partners followed by the phrase "co-partners, doing business under the Offeror name and style of." If an individual, name and also use the phrase, "an individual, doing business under the trade name of." If the Offeror is a partnership, all general partners are required to sign the Proposal and the Contract. If the Selected Offeror is a limited liability company, all managing members are required to sign the Proposal and the Contract. Add additional signature pages as necessary.

CERTIFICATE OF AUTHORITY & ACKNOWLEDGEMENTS

IF OFFEROR IS A CORPORATION

OR LIMITED LIABILITY COMPANY

I, the undersigned, as Secretary or Assistant Secretary of the Corporation or duly authorized representative of the Limited Liability Company submitting the foregoing Proposal, hereby certify that pursuant to the By-Laws and Resolutions of the Corporation or Limited Liability Company, the agent who has signed this Proposal on behalf of the Offeror is fully and completely authorized to do so.

Secretary or Assistant Secretary

(Corporate Seal)

STATE OF: _____

CITY/COUNTY OF: _____, to-wit:

On this day, ____ of _____, 2022, before me personally came and appeared _____, ____, to me known, who being by me duly sworn, did depose and say that he is the of ______. Offeror and that he signed his name thereto by authority of the Board of Directors or Members.

Notary

My Commission Expires: _____

My Commission Number: _____

CERTIFICATE OF AUTHORITY & ACKNOWLEDGEMENTS IF OFFEROR IS A PARTNERSHIP

I, the undersigned, as ______of the Partnership submitting the foregoing Proposal, hereby certify that the agent who has signed this Proposal on behalf of the Offeror is fully and completely authorized to do so.

(Title)

STATE OF: _____

CITY/COUNTY OF: _____, to-wit:

On this _____ day of , 2022, before me personally came and appeared _____, known to me to be all the general partners of _____, who executed the same as and for the act and deed of said Offeror.

Notary

My commission Expires:

My Commission Number:

CERTIFICATE OF AUTHORITY AND ACKNOWLEDGMENTS

IF OFFEROR IS A LIMITED PARTNERSHIP

I, ______the undersigned, as of the Limited Partnership submitting the foregoing proposal, hereby certify that the agent who has signed this Proposal on behalf of the Offeror is fully and completely authorized to do so.

(Title)	
STATE OF:	
CITY/COUNTY OF: , to-wit:	
On this day of	, 2022, before me personally came and appeared , known to me to be all the general partners of the limited
partnership of	, who executed the same as and for the act and
deed of said limited partnership.	
Notary	
My Commission Expires:	
My Commission Number:	

CERTIFICATE OF AUTHORITY AND ACKNOWLEDGMENTS IF OFFEROR IS AN INDIVIDUAL

l,	, an individual doing business under the trade name		
Of	, submit the foregoing Proposal.		
(Name)			
STATE OF			
CITY/COUNTY OF	, to-wit:		
	, 2022, before me personally came and appeared, to me lescribed in and who executed the foregoing instrument and be e same.		
Notary			

My Commission Expires:

My Commission Number:

BANK REFERENCE

Name of Bank:

Address of Bank:

ATTN:

Telephone Number:

Email Address:

Dear Sir or Madam:

I have notified the Norfolk Airport Authority that you are the representative handling our accounts at our primary financial institution. Please provide the Authority with any requested information about our accounts.

Offeror:_____

Signature of Authorized Representative

Account Number (s)

SECTION 4 - CONTRACT

CONTRACT

EMPLOYEE BENEFITS BROKERAGE SERVICES

NORFOLK INTERNATIONAL AIRPORT

This Contract made as of the _____day of _____ 2022, by and between the

Norfolk Airport Authority (the "Authority") and ______

(the "Operator").

WITNESSETH THAT:

The Authority and the Operator, for and in consideration of the charges and mutual

agreements set forth herein and other good and valuable consideration, covenant and agree as follows:

SECTION 2. PAYMENT

The Authority agrees to pay the Operator a fee of _____ Dollars (\$) per _____ as agreed upon. This fee shall be applicable during the contract period.

SECTION 3. DATE OF PAYMENT

Payments under this Contract shall be payable in arrears based on invoices submitted by Operator at the end of each month. Invoices shall be paid by the Authority within 45 days from date of receipt of an invoice without finance charges.

SECTION 4. TERM

The term of this Contract shall be for three (3) years plus three (3) optional one-year extensions as mutually agreed upon and shall commence on ______.

SECTION 5. PREMISES

Nothing contained in this Contract shall be construed to grant to the Operator any rights whatsoever in any facility, space or area on the Airport unless leased by Authority to Operator under a written lease or amendment to this Contract.

SECTION 6. NOTIFICATION

All notices from one party to the other under this Contract shall be in writing, mailed by registered or certified mail, return receipt requested, to the address indicated below. Either party may change its address for notice upon written notice to the other.

If to the AUTHORITY:

Section 4 Contract **Executive Director**

Norfolk Airport Authority Norfolk International Airport 2200 Norview Avenue Norfolk, VA 23518

If to the Operator:

Name: _____

Address: _____

SECTION 7. ENTIRE CONTRACT

This Contract including the Request for Proposal documents, Schedules, Exhibits and Operator's Proposal Documents incorporated herein constitutes the entire agreement between the Authority and the Operator. No change in, modification of or supplement to this Contract shall be valid or enforceable unless it is in writing and signed by the duly authorized representatives of the Authority and the Operator.

SECTION 8. TERMS AND CONDITIONS

The Terms and Conditions and Other Contract Requirements in Sections 5 and 6 of the Proposal Documents are incorporated herein by this reference and made a part hereof.

IN WITNESS WHEREOF, the parties hereto have executed these presents as of the day and year first above written.

OPERATOR By _____

ATTEST:_____

(Title)

NORFOLK AIRPORT AUTHORITY

Ву____

Executive Director

ATTEST:

Assistant Secretary

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Section 4 Contract

SECTION 5 - TERMS AND CONDITIONS

- 1 Obligations of Operator
- 2 Rights of Selected Offeror
- 3 Rules and Regulations of Authority
- 4 Federal Airport Aid
- 5 Indemnification
- 6 Insurance
- 7 Exclusive Rights Not Granted
- 8 Subordination of Contract
- 9 Assignment of Contract
- 10 Condemnation
- 11 Default and Termination of Contract
- 12 Performance Bond
- 13 Representations and Warranties of Operator
- 14 Force Majeure
- 15 Contract Binding Upon Successors
- 16 Operator's Dealings with the Authority
- 17 Claims and Liens
- 18 Independent Contractor
- 19 Waivers
- 20 Disputes
- 21 Entire Contract
- 22 Definitions and Construction

TERMS AND CONDITIONS

Employee Benefits Brokerage Services

The following Terms and Conditions are attached to and made a part of the Contract for Employee Benefits Brokerage Services at Norfolk International Airport (hereinafter referred to as "Airport"):

SECTION 1. OBLIGATIONS OF OPERATOR

Operator warrants and agrees that it will:

- A. Furnish the Employee Benefits Brokerage Services promptly, efficiently, and adequately to meet all reasonable demands therefore on a fair, equal, and non-discriminatory basis.
- B. Be responsible for obtaining all permits, licenses and certificates required by any regulatory agency to provide Employee Benefits Brokerage Services.
- C. Not divert or cause to be diverted any business provided by tenants and concessionaires on the Airport;
- D. Be responsible for the conduct, demeanor and appearance of its employees, invitees and those doing business with Operator. Upon receipt of any complaint or objection to the conduct, demeanor, or appearance of the employees or those doing business with the Operator, the Operator shall immediately take all reasonable steps necessary to remove the cause of the complaint or objection.
- E. Not do or permit to be done anything which may interfere with free access and passage on and to the Airport.

SECTION 2. RIGHTS OF SELECTED OFFEROR

The Operator shall provide Employee Benefits Brokerage Services only and will not conduct any other type of business whatsoever on the Airport unless otherwise approved in writing by the Authority.

SECTION 3. RULES AND REGULATIONS OF AUTHORITY

The Operator covenants and agrees to compel its officers, employees, guests, invitees, and those doing business with it to observe and obey all applicable rules and regulations of the Authority now in effect or hereinafter promulgated governing the conduct and operation of the Airport. The Authority agrees that, except in cases of emergency, it will give notice to the Operator of all such rules or regulations adopted by it at least five (5) days before the Operator shall be required to comply therewith. Copies of the rules and regulations are available at the offices of the Authority.

SECTION 4. FEDERAL AIRPORT AID

The Authority has applied for and received, and may in the future apply for and receive, grants of money for the benefit of the Airport from the Administrator of the Federal Aviation Administration (FAA), pursuant to applicable Federal law and from the Department of Aviation of the Commonwealth of Virginia, and from the City of Norfolk. In connection therewith, the Authority has undertaken or may

undertake certain obligations respecting its operation of the Airport and the activities of its lessees, permittees, and contractors thereon. The Operator covenants and agrees that, if the Administrator of the FAA or any other governmental entity having jurisdiction over the enforcement of the obligations of the Authority resulting from such grant or grants shall make any orders, recommendations or suggestions to the Authority or the Operator respecting the performance of the Operator, the Operator will promptly comply therewith.

SECTION 5. INDEMNIFICATION

Α. Indemnification The Operator shall indemnify, defend and hold the Authority and its officers, Commissioners, agents and employees completely harmless from any and all liabilities, losses, suits, actions, claims, judgments, fines or demand of any character, including but not limited to court costs and attorneys' fees brought because of any injuries or death to persons or damage received or sustained by any person or property on account of the operations by the Operator, its successors, subcontractors, suppliers, employees, agents or invitees, or on account of or in consequence of any neglect in safeguarding its operations at the Airport; or because of any negligent acts or omissions or misconduct of Operator; or because of any claims for or amounts recovered by any infringement of patent, trademark or copyright; or from any claims or amounts arising or recovered under the Operator's worker's compensation coverage, or any other law, ordinance, order or decree unless resulting solely from the gross negligence of the Authority. Any funds due the Operator under and by virtue of this Contract, as may be considered necessary by the Authority for such purpose, may be retained for the use of the Authority or, in case no money is due, Operator's surety may be held until such suit, action or claim for injuries or damages as aforesaid shall have been settled and suitable evidence to that effect furnished to the Authority. Funds due the Operator will not be withheld when the Operator produces evidence satisfactory to the Authority that Operator is adequately protected by insurance covering such suits, actions, or claims.

Other than as set forth specifically in the paragraph above, the foregoing provisions shall in no way be deemed released, waived, or modified in any respect by reason of any insurance or surety provided by the Operator under this Contract.

SECTION 6 INSURANCE

A. <u>Operator's Insurance.</u> Operator shall maintain such insurance as is customarily maintained by similar business enterprises at commercial airports, which must include, but is not limited to, the insurance specifically required herein. The Operator shall maintain insurance in companies acceptable to the Authority of the kinds and in the amounts herein specified, with companies licensed and admitted to conduct business within the Commonwealth of Virginia and having a current A.M. Best Key Rating of at least A, in the prescribed form or such other form as is, in its sole discretion, acceptable to the Authority. If any work or service provided for or to be performed under this Contract is sublet (as otherwise permitted by the terms of this Contract), the Operator shall require the subcontractor to maintain and furnish Operator and Authority with satisfactory evidence of worker's compensation, employer's liability and such

Section 5 Terms and Conditions other forms and amounts of insurance which the Operator deems reasonable, to include placements of the insurance with companies licensed and admitted to conduct business within the Commonwealth of Virginia and having a current A. M. Best Key Rating of at least A.

B. Operator and any subcontractor will maintain the following insurance coverage:

Forms of Coverage Minimum Limits of Liability

- 1. Worker's CompensationStatutory Limits for Virginia and Occupational Diseases
- 2. Employer's Liability

Bodily Insurance by Accident \$500,000 each accident

Bodily Injury by Disease \$500,000 policy limit

Bodily Injury by Disease \$500,000 each employee

3. Comprehensive General Liability or Commercial General Liability on an occurrence basis as follows:

Combined Single Limit, or	\$1,000,000
General Aggregate Limit	\$2,000,000
Professional Liability (including errors and omissions)	\$1,000,000
Aggregate Personal Injury and	\$1,000,000
Advertising Injury	\$1,000,000
Each Occurrence Limit	\$1,000,000
Fire Damage Limit (any one fire)	\$100,000
Medical Expense (any one person)	\$10,000

and will include these coverages:

- Contractual Liability;
- Contractors Protective Liability;
- Completed Operations for 24 months after the work has been completed;
- The Broad Form Comprehensive General Liability Endorsement including all of the aforementioned coverages.
- 4. Commercial Automobile Liability, for owned, non-owned, hired, leased, and rented vehicles;

Section 5 Terms and Conditions

Combined Single Limits	\$1,000,000
Uninsured Motorists	\$1,000,000
Medical Payments	\$ 5 <i>,</i> 000
Hired, Rented or Leased Autos	\$1,000,000
Non-Owned Autos	\$1,000,000

5. Excess Third-Party Liability

General Aggregate \$5,000,000

Products-Completed Operations \$5,000,000

Each Incident Limit \$5,000,000

Retention None or \$10,000 Maximum

Over and Above these Primary Placements:

Commercial General Liability

Business Auto Liability Including Hired and Non-Owned Auto Liability

Employers Liability

6. Employee Dishonesty Bond

Employee Dishonesty \$500,000

- C. <u>Third Party Beneficiary Clause</u> No member of the public shall be considered a third-party beneficiary of this Contract. Nothing here shall authorize anyone not a party to the Contract to maintain a suit for personal injuries or property damage pursuant to the terms or provisions of the Contract.
- D. <u>Evidence of Insurance Coverage</u> the Operator will submit, along with the executed Contract, as provided herein, the standard <u>"ACORD"</u> Insurance Certificate form (or comparable insurance certificate form (acceptable to the Authority) signed by an authorized representative of the insurance company, certifying that the insurance coverage required hereunder is in effect for the services covered by this Contract. Said insurance certificate shall indicate that the Authority will be given written notice at least thirty (30) days prior to cancellation or non-renewal of any insurance required hereunder. The insurance company shall further agree to deliver copies of any insurance policies covering the insurance required hereunder to the Authority within ten (10) days following a request by the Authority for such copies.
- E. <u>Loss Payee; Subrogation.</u> On all policies of insurance, the Authority shall be an additional insured or loss payee, as applicable. If available, the policy shall provide for a waiver of subrogation against the Authority.

Section 5 Terms and Conditions

- F. <u>Premiums.</u> The cost of all insurance required by this Contract shall be paid by the Operator. Notwithstanding the provisions of the paragraph above, the Authority has the right to pay the premium for each insurance policy required herein, and the Operator agrees to reimburse the Authority for all premiums and related expenses associated with the procurement of the necessary insurance coverages under the terms and conditions of this Contract. Failure of the Authority to secure such insurance for the Operator shall not impose any liability upon the Authority and such failure shall not operate to waive or invalidate any obligation assumed hereunder by the Operator.
- G. <u>Notice of Claims.</u> Operator agrees to notify the Authority promptly in writing of any claim, demand or action arising out of any occurrence related to the performance of this Contract of which the Operator has knowledge and to cooperate with Authority in the investigation thereof. In the event of any injury, death, loss or damage, the Operator shall give immediate notice to the Authority within twenty-four (24) hours of the event.
- H. Limitation of Liability. Neither the Authority nor any of its employees, Commissioners or officers shall be liable or responsible for any personal injury or death of Operator's employees, loss or damage to other property of the Operator, or loss of income and extra expense whether arising out of any incident of terrorism or any incident or peril included within the "Special Causes of Loss" form of the standard Commercial Property Policy as used within the Commonwealth of Virginia, including the perils of flood, dishonesty, earthquake, earth movement, the backup of sewers or drains, collapse of any building or structure, weather conditions, acts of God or any other cause of loss arising out of Nature.

SECTION 7 EXCLUSIVE RIGHTS NOT GRANTED

It is specifically understood and agreed that nothing herein contained shall be construed as granting or authorizing the granting of an exclusive right within the meaning of Section 308 of the Federal Aviation Act, as amended, or any other federal criteria.

SECTION 8 SUBORDINATION OF CONTRACT

This Contract shall be subordinate to the provisions of any existing or future agreement between the Authority and the City of Norfolk, the Commonwealth of Virginia, or the United States relative to the operation or maintenance of the Airport the execution of which has been or may be required as a condition precedent to the granting of any funds for the development of the Airport. In the event that any future conditions materially impairs the Operator's ability to perform the terms of the Contract, the Operator shall have the option to terminate the Contract on six (6) months written notice to the Authority.

SECTION 9 ASSIGNMENT OF CONTRACT

 A. Operator shall not at any time sell, assign, or transfer in any manner whatsoever this Contract nor any part thereof for any purposes without the prior written Section 5 Terms and Conditions consent of the Authority. The sale or transfer of (i) the controlling stock of a closed corporation, (ii) the controlling interest in a partnership or limited liability company, or (iii) of a controlling interest in any affiliate, whether in a single transaction or as a result of more than one transaction, shall be considered as an assignment for the purpose of this Section. No approved assignment or sublease shall in any way affect or diminish Operator's obligation to perform all of the terms, covenants, conditions, and provisions binding upon Operator and contained in this Contract.

B. In the event that Operator shall subcontract any part of the Contract, Operator is obligated to pay the subcontractor(s) interest at the rate of one (1) percent per month on all amounts owed by the Operator that remain unpaid seven (7) days following receipt of payment from the Authority, except for amounts withheld as stated herein. The date of mailing of any payment by U.S. Mail is deemed to be payment to the addressee. These provisions apply to each subtier contractor performing under the Contract. Operator's obligation to pay an interest charge to a subcontractor may not be construed to be an obligation of the Authority.

SECTION 10 CONDEMNATION

In the event of the acquisition by condemnation or the exercise of the power of eminent domain (which for these purposes shall not be deemed to include the Authority) of any interest in all or part of the Airport, the Operator shall not institute any action or proceeding or assert any claim against the Authority for compensation or consideration of any nature whatsoever, and any provision herein contained contrary to the provisions of this section shall have no force or effect. All compensation awarded or paid upon such a total or partial taking of Airport premises shall belong to and be the property of the Authority without any participation by the Operator. Nothing contained herein shall be construed to preclude the Operator from recovering directly from the condemning authority the value of any claim as may exist for loss of business, or damage to, or cost of removal of, or for the value of stock, trade fixtures, furniture and other personal property belonging to the Operator; provided, however, that no such claim shall diminish or otherwise adversely affect the Authority's award or the award of the Trustee of any Airport Revenue Bonds, whether outstanding now or in the future.

SECTION 11 DEFAULT AND TERMINATION OF CONTRACT

- A. <u>Default by Operator.</u> The occurrence of any of the following shall constitute an Event of Default by Operator:
 - 1. The Operator fails to provide the insurance required herein;
 - 2. The Operator fails to observe or perform any other covenant or agreement contained in the Contract or in any of the Proposal Documents, and such failure continues for a period of five (5) calendar days after written notice by the Authority of such failure requiring the same to be remedied, provided that if such observance or performance Section 5 Terms and Conditions

requires work to be done, actions to be taken, or conditions to be remedied, which by their nature cannot reasonably be done, taken or remedied within such 5-day period, but can be done, taken or remedied within a reasonable period of time, no Event of Default shall be deemed to have occurred or to exist if the Operator shall commence work, action or other remedy within such 5-day period and shall diligently and continuously prosecute the same to completion;

- 3. The Operator repeatedly fails to observe or perform any covenant or agreement in the Contract or in any of the Proposal Documents even if each such failure shall be cured within the time provided in subsection 2 above;
- 4. Any warranty, representation, certification, financial statement, or other information made or furnished by Operator at any time is determined by the Authority, in its sole judgment, to be false or misleading in any material respect;
- 5. If Operator, or any successor or assignee, while in possession, shall file a petition in bankruptcy or insolvency or for reorganization under any bankruptcy act, or shall voluntarily take advantage of any such act by answer or otherwise, or shall make an assignment for the benefit of creditors;
- 6. If involuntary proceedings under any bankruptcy law or insolvency act shall be instituted against Operator, or if a receiver or trustee shall be appointed of all or substantially all of the property of Operator and such proceedings shall not be dismissed, or the receivership or trusteeship vacated within thirty (30) days after the institution or appointment
- 7. If this Contract or any controlling interest in Operator shall be transferred to or shall pass to or devolve on any other party, except in the manner permitted herein; or
- 8. The criminal conviction of Operator or any principal of Operator. For purposes of this Section, the term principal shall include a director, officer, general manager, partner, or member of Operator.
- B. Effect of Operator's Default.

In the event of any Default by Operator, in addition to any other remedies available at law or in equity, Authority shall have the following rights, options, and remedies which shall be construed and held to be cumulative, and no one of them shall be exclusive of the other: 1. Authority shall have the right to cancel and terminate this Contract immediately by giving to Operator written notice of the cancellation and termination.

Authority may elect, but shall not be obligated, to make any payment required of Operator or comply with any agreement, term or condition required by this Contract to be performed by Operator. Authority shall have the right to assume the Employee Benefits Brokerage Services for the purpose of correcting or remedying any such default and to continue providing the Employee Benefits Brokerage Services until the fault has been corrected or remedied, but any act or expenditure by Authority shall not constitute a waiver or release of the default of Operator or the right of Authority to take any action as may be otherwise permissible by law or under this Contract in the case of any default.

- 2. Authority shall have the right, but not obligation, to remove all or any part of the Operator's property located on the Airport and to sell such property and apply the proceeds to any damages incurred by the Authority, or to store such property in a public warehouse or at a place selected by the Authority, without liability therefore, at the expense and risk of the Operator.
- 3. Authority may recover from Operator all damages proximately resulting from the breach, including the cost to the Authority for providing the Employee Benefits Brokerage Services.

The rights of termination described above shall be in addition to any rights and remedies that the Authority shall have pursuant to this Contract or at law or in equity, and the exercise by the Authority of any right of termination shall be without prejudice to any other such rights or remedies.

C. Default by Authority.

The Operator's sole remedy against the Authority for its default shall be the right to terminate this Contract upon sixty (60) days written notice to the Authority in the event that the Authority fails to comply with provisions of the Contract and such failure is not cured within thirty (30) days of Authority's receipt of written notice from the Operator specifying such failure.

D. Other Termination.

If for any reason all scheduled certificate airline service at the Airport is permanently suspended, whether such suspension be due to Act of God, the public enemy or other circumstances, Operator shall have the right to terminate the Contract upon thirty (30) days written notice to the Authority.

SECTION 12 PERFORMANCE BOND

Upon the execution of the Contract by the Operator and delivery thereof to the Authority, the Operator shall also deliver to the Authority a Performance Bond in the amount of One Hundred Percent (100%) of the Operator's annual contract costs, issued by a Surety authorized to do business in the State of Virginia or an irrevocable Letter of Credit in the same amount from a bank insured by the FDIC. This security shall remain in the possession of the Authority during the full term of the Contract to ensure the full, faithful, and prompt performance of and compliance with, on the part of the Operator, all of the provisions, terms and conditions of this Contract.

SECTION 13 REPRESENTATIONS AND WARRANTIES OF OPERATOR

The Operator represents and warrants to the Authority that:

- A. It is duly organized and validly existing under the laws of its jurisdiction, incorporation, or establishment;
- B. It has the power and the authority to enter into and perform its obligations under this Contract and to pay the Fee in accordance herewith;
- C. This Contract has been duly authorized, executed and delivered by it and, assuming the due authorization, execution and delivery hereof by the other parties hereto, constitutes a legal, valid and binding obligation of its enforceability against it in accordance with the terms hereof, subject to applicable bankruptcy, insolvency and similar laws affecting creditor's rights generally, and subject, as to enforceability, to general principles of equity regardless of whether enforcement is sought in a proceeding in equity or at law;
- D. Its execution and delivery of this Contract and its performance of its obligations hereunder do not and will not constitute or result in a default under, a breach or violation of, or the creation of any lien or encumbrance on any of its property under its charter or bylaws (or equivalent organizational documents), or any other agreement, instrument, law, ordinance, regulation, judgment, injunction, or order applicable to it or any of its property;
- E. All consents, authorizations and approvals requisite for its execution, delivery and performance of this Contract have been obtained and remain in full force and effect and all conditions thereof have been duly complied with, and no other action by, and no notice to or filing with, any governmental authority or regulatory body is required for such execution, delivery, or performance; and There is no proceeding pending or threatened against it at law or in equity, or

before any governmental instrumentality or in any arbitration, which would materially impair its ability to perform its obligations under this Contract, and there is no such proceeding pending against it which purports or is likely to affect the legality, validity, or enforceability of this Contract.

SECTION 14 FORCE MAJEURE

Neither party hereto shall be liable to the other for any failure, delay or interruption in the performance of any of the terms, covenants or conditions of this Contract except as set forth below due to causes beyond the control of that party including, but not limited to, strikes, boycotts, labor disputes, shortages of materials, acts of God, acts of the public enemy, acts of superior governmental authority, weather conditions, floods riots, rebellion, sabotage or other circumstances for which such party is not responsible or which are not in its power to control.

SECTION 15 CONTRACT BINDING UPON SUCCESSORS

This Contract shall be binding upon and shall inure to the benefit of the successors and assigns as permitted herein.

SECTION 16 OPERATOR'S DEALINGS WITH THE AUTHORITY

Whenever in this Contract the Operator is required or permitted to obtain the approval of, consult with, give notice to, or otherwise deal with the Authority, the Operator shall deal with the Authority's authorized representative; and unless or until the Authority shall give Operator written notice to the contrary, the Authority's authorized representative shall be its Executive Director.

SECTION 17 CLAIMS AND LIENS

The Operator shall pay all claims lawfully made against it by its contractors, subcontractors, materialmen and workers, and all claims lawfully made against it by other third persons arising out of or in connection with the performance of work, and shall cause its contractors or subcontractors to pay all such claims lawfully made against them. Nothing herein contained shall be deemed to constitute consent to the creation of any lien or claim against Authority assets.

SECTION 18 INDEPENDENT CONTRACTOR

It is understood and agreed that nothing herein is intended or should be construed as in any way creating or establishing the relationship of co-partners between the parties hereto or of creating a joint venture, or as establishing Operator as the agent, representative, or employee of the Authority for any purpose or in any manner whatsoever. Operator is to be, and shall remain, an independent contractor with respect to all services performed under this Contract.

SECTION 19 WAIVERS

Every provision herein imposing an obligation upon the Operator is a material inducement and consideration for the execution of this Contract. No waiver by the Authority of any of the terms, covenants or conditions of this Contract, or noncompliance therewith, shall be deemed as a waiver at any time thereafter of the same or any other term, covenant or condition herein contained, nor of the

Section 5 Terms and Conditions strict and prompt performance thereof. No delay, failure, or omission of the Authority to exercise any right, power, privilege, or option arising from any default shall impair any such right, power, privilege, or option, nor be construed as a waiver of any such default or acquiescence therein. No notice by the Authority shall be required to restore or revive time as being of the essence hereof after waiver by the Authority of default in one or more instances.

SECTION 20 DISPUTES

- A. Dispute Resolution.
 - Operator must submit all claims, of whatsoever nature or basis, in writing, to the Executive Director of the Authority within ten (10) calendar days of the occurrence allegedly giving rise to such claim. Any claim not timely submitted to the Executive Director is deemed to be waived.

The Executive Director shall respond to such written claim within fifteen (15) working days of the receipt of the claim by either: (i) making a written determination with respect to the claim, or (ii) making a written request for additional information. If requested, Operator shall provide all requested additional information within seven (7) working days of the date of the Executive Director's request, or the claim is waived. Thereafter, the Executive Director shall make a written determination with respect to the claim within fifteen (15) working days after receipt of the additional information. In either case, the Executive Director's written determination shall be final and conclusive unless within thirty (30) calendar days from the date of the Executive Director's written determination, Operator requests, in writing, an appeal to the Authority's Board of Commissioners, hereinafter referred to as the (Board), stating specifically all grounds of appeal.

- 2. The Board shall use its best efforts to hear any such appeal within ninety (90) working days after the Board's receipt of the written appeal. At such hearing, Operator shall be afforded such opportunity to be heard and to offer relevant evidence in support of its appeal, as may be determined by the Board in its sole discretion. The decision of the Board shall be final and conclusive unless appealed by Operator within thirty (30) working days to the Circuit Court for the City of Norfolk and found by the Court to have been fraudulent, capricious, arbitrary, or so grossly erroneous as necessarily to imply bad faith. The Circuit Court for the City of Norfolk has exclusive jurisdiction and venue with respect to all disputes arising from or under this Contract, regardless of nature or basis.
- 3. Operator shall diligently continue performance of this Contract, including as may be directed by the Executive Director or the Board,

Section 5 Terms and Conditions regardless of whether such dispute is pending or on appeal, and regardless of the outcome of such dispute or appeal.

B. Situs and Service of Process.

Operator agrees that all actions or proceedings arising out of this Contract shall be litigated only in the Circuit Court of the City of Norfolk and Operator hereby consents to the jurisdiction and venue of the aforesaid court and waives personal service of any and all process upon the Operator herein, and consents that all such service or process shall be made by certified mail, return receipt requested, directed to the Operator at the address herein stated, and service so made shall be complete two (2) days after the same shall have been mailed as aforesaid.

SECTION 21 ENTIRE CONTRACT

The Contract, along with the Operator's Proposal, the Request for Proposal, the Terms and Conditions and all Exhibits and Schedules, constitute the entire present Contract between the Authority and the Operator. Each of such documents and exhibits is incorporated herein by this reference as if fully set forth herein and made a part thereof. No change in, modification of or supplement to this Contact shall be valid or enforceable unless it is in writing and signed both by the duly authorized representatives of the Authority and the Operator.

SECTION 22 DEFINITIONS AND CONSTRUCTION

- A. <u>Definitions.</u> The following terms, when used in this Contract shall, unless the context requires otherwise, have the respective meanings given below:
 - <u>Airport shall mean the land and premises in the City of Norfolk,</u> Commonwealth of Virginia, and lands contiguous thereto which may be acquired from time to time by the Authority for Airport purposes and which shall comprise the Norfolk International Airport.
 - 2. <u>Authority</u> shall mean the Norfolk Airport Authority, owner and operator of the Airport.
 - 3. <u>Agreement or Contract</u> shall mean this Contract including the Proposal, the Request for Proposals, the Terms and Conditions and all exhibits and schedules referenced therein or attached thereto which are all hereby incorporated herein as if fully set out.
 - 4. <u>Improvements</u> shall mean all planning, design work needed to supply and finish all improvements, equipment, and vehicles necessary for the Employee Benefits Brokerage Services.
 - 5. <u>Services</u> shall mean the provision of all necessary personnel and resources to provide Employee Benefits Brokerage Services at the Airport as defined in the Proposal Documents.
 - 6. <u>Proposal Documents</u> shall mean the Request for Proposals, the Proposal Form, the Contract, and all exhibits referenced therein or attached thereto, all of which are incorporated herein by this reference as if fully set out.

- B. <u>Construction of Certain Terms.</u> For all purposes of the Proposal Documents, except as otherwise expressly provided or unless the context otherwise requires, the following rules of construction shall apply:
 - 1. The use of the masculine, feminine, or neuter gender is for convenience only and shall be deemed and construed to include correlative words of the masculine, feminine, or neuter gender, as appropriate.
 - 2. The terms defined in this Contract shall have the meanings assigned to them herein and include the plural as well as the singular.
- C. <u>Table of Contents, Titles, and Headings.</u> The table of contents, titles and headings of the sections are solely for convenience of reference, are not a part of the Proposal Documents, and shall not be deemed to affect the meaning, construction, or effect of any of its provisions.
- D. <u>Interpretation.</u> The language of this Contract shall be construed according to its fair meaning, and not strictly for or against either the Authority or Operator. If any provision of this Contract is determined to be void by any court or competent jurisdiction, then such determination shall not affect any other provision of this Contract and all such other provisions shall remain in full force and effect.
- E. <u>Applicable Law.</u> This Contract shall be construed according to the laws of the Commonwealth of Virginia.

SECTION 6 - OTHER CONTRACT REQUIREMENTS

6.1 LAWS AND ORDINANCES

Operator shall comply with all federal, state, and local laws and ordinances, governmental rules, regulations, and orders applicable to the operation of the Airport or to the Operator's operation at the Airport. Without limiting the generality of the foregoing, Operator shall comply with the laws and regulations specified herein.

Operator shall comply with and enforce, as is currently or may be required, all provisions of Federal aviation regulations, amendments, and additions thereto, pertaining to airport security which affect its operation on the Airport. In this connection, Operator will be responsible to ensure that unauthorized persons do not enter any Airport Operations Areas which have been or may be designated by the Authority in its Airport Security Program in compliance with federal aviation regulations unless authorized and escorted by the Authority.

6.2 GENERAL CIVIL RIGHTS PROVISIONS

The contractor agrees to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance.

This provision binds the contractor and sub tier contractors from the bid solicitation period through the completion of the contract. This provision is in addition to that required of Title VI of the Civil Rights Act of 1964.

6.3 CIVIL RIGHTS - TITLE VI SOLICITATION NOTICE

The Norfolk Airport Authority, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.

Compliance with Nondiscrimination Requirements

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:

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.

Non-discrimination: The contractor, with regard to the work performed by it during the contract, will 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. 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.

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.

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 Administration Administration.

Sanctions for Noncompliance: In the event of a contractor's noncompliance with the Nondiscrimination 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.

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 interests of the United States.

6.4 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 U.S.C. § 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 U.S.C. § 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 U.S.C. § 794 *et seq*.), as amended, (prohibits discrimination on the basis of disability); and 49 CFR part 27;

The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 *et seq*.), (prohibits discrimination on the basis of age);

Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);

The Civil Rights Restoration Act of 1987, (PL 100-209), (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, which 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 (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 CFR parts 37 and 38;

The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 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, which ensures non-discrimination 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. at 74087 to 74100);

Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).

6.5 FEDERAL FAIR LABOR STANDARDS ACT

All contracts and subcontracts that result from this solicitation incorporate by reference the provisions of 29 CFR part 201, 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 Offeror has full responsibility to monitor compliance to the referenced statute or regulation. The Offeror must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division

6.6 OCCUPATIONAL SAFETY AND HEALTH ACT

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. Contractor must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. The Contractor 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 (20 CFR Part 1910). Contractor 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.

6.7 FEDERAL IMMIGRATION LAW

At all times during the Term of this Contract, the Operator shall not knowingly employ any unauthorized alien, or knowingly contract with a subcontractor who knowingly employs or contracts with an unauthorized alien to perform work under the Contract. For purposes of this section, an "unauthorized alien" shall mean any alien who is neither lawfully admitted for permanent residence in the United States nor authorized to be employed by either Title 8, section 1324a of the United States Code or the U.S. Attorney General. If the Operator violates this provision of this Contract, the Authority may terminate the Contract, and the Operator shall be liable for any actual and consequential damages to the Authority, including attorneys' fees and court costs, if any.

6.8 AFFIRMATIVE ACTION

Operator shall undertake any affirmative action program required by DOT, Code of Federal Regulations (C.F.R.) Part 152, Title 14, Subpart E, as amended, and will otherwise comply with all requirements of this Subpart, to ensure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in or receiving the services or benefits of any activity covered by this

Section 6 Other Contract Requirements Contract. Operator assures that it will require that its covered sub-organizations provide assurance to the Operator that they similarly will undertake affirmative action programs, that they will otherwise comply with all requirements of Subpart E, and that they will require assurances from their sub-organizations, as required by 14 C.F.R. Part 152, Subpart E.

6.9 DRUG FREE WORKPLACE

During the performance of this Contract, the Operator agrees as follows:

- 1. To provide a drug-free workplace for the Operator's employees.
- 2. To post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession or use of a controlled substance or marijuana is prohibited in the Operator's workplace and specifying the actions that will be taken against employees for violations of such prohibition.
- 3. State in all solicitations or advertisements for employees placed by or on behalf of the Operator that the Operator maintains a drug-free workplace. For the purposes of this paragraph, "drug-free workplace" means a site for the performance of work done in connection with the Contract awarded to the Operator in accordance with this procurement transaction, where the Operator's employees are prohibited from engaging in the unlawful manufacturer, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the Contract.

6.10 Notice of Violations

Promptly after receipt, Operator shall deliver to the Authority a true copy of any notice, warning, summons, or other legal process for the enforcement of any such laws, ordinances, rules, regulations, or orders. The Operator shall indemnify and hold the Authority harmless from and against all claims, actions, damages, liabilities, fines, penalties, costs, and expenses suffered or incurred by the Operator as a result of non-compliance with such laws, ordinances, resolutions, or regulations. The Operator shall promptly comply with such laws, ordinances, rules, and regulations within the time permitted by the applicable government entity.