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I. GENERAL OVERVIEW

A. INTRODUCTION

Pursuant to this Request for Proposals ("RFP"), Charlotte Douglas International Airport ("CLT" or "Airport"), which is owned and operated by the City of Charlotte, North Carolina, is seeking Proposals from qualified and experienced equipment maintenance companies (individually or collectively, the "Proposer") interested in providing operation and maintenance services (the "O&M Services") for the baggage handling system (the "BHS"), currently being constructed by the City at the Airport.

The O&M Services will be governed by a contract in the form attached hereto as Exhibit B to this RFP (the “BHS O&M Contract”). Proposers are advised to carefully read and review the form BHS O&M Contract as they prepare their Proposals to this RFP. CLT reserves the right to revise the terms of the form BHS O&M Contract at any time during the RFP process and to negotiate different terms with the successful Proposer.

Proposers should be aware of the following key deadlines:

- Mandatory Pre-Proposal Conference: 2:00 p.m. on April 1, 2014
- Proposal Due Date: 2:00 p.m. on April 22, 2014

A complete list of events and deadlines for this RFP is contained below in Section II.A.

Proposers are encouraged to carefully review all sections of this RFP including all attachments and exhibits as they prepare their Proposals. Failure to comply with the terms, conditions and requirements of this RFP may result in disqualification in the sole discretion of CLT.

B. POINT OF CONTACT

The point of contact for all submissions and correspondence regarding this RFP will be Olivia Clark. Ms. Clark’s contact information is:

Olivia Clark, Project Manager
Charlotte Douglas International Airport
Business and Revenue Development
CLT Center
5601 Wilkinson Boulevard
Charlotte, NC 28208
E-mail: procurement@cltairport.com

All correspondence concerning this RFP must be made by email or U.S. Mail unless otherwise instructed herein. Telephone calls or facsimile transmissions will not be accepted. Any unauthorized contact between a Proposer and the City, CLT or its officers, employees, agents, consultants or other representatives may result in rejection of such Proposer’s Proposal.

C. STATEMENT OF WORK
The Statement of Work ("SOW") for this RFP is attached hereto as Exhibit A. The successful Proposer will provide operation, maintenance and repair service for the complete baggage handling system described in the SOW.
II. RFP SELECTION PROCESS

A. SCHEDULE

The key events and deadlines for this RFP are as follows:

<table>
<thead>
<tr>
<th>DATE</th>
<th>EVENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 21, 2014</td>
<td>RFP Issuance.</td>
</tr>
<tr>
<td>April 1, 2014</td>
<td>Mandatory Pre-Proposal Conference, 2:00 p.m. EST.</td>
</tr>
<tr>
<td>April 4, 2014</td>
<td>Deadline for Submission of Written Questions.</td>
</tr>
<tr>
<td>April 22, 2014</td>
<td>Proposal Due Date. Proposals are due by 2:00 p.m. EST on April 22, 2014.</td>
</tr>
<tr>
<td>April 23, 2014 through May 2, 2014</td>
<td>Evaluation and Interviews (If Applicable).</td>
</tr>
<tr>
<td>May 12, 2014</td>
<td>Notice of Intent to Award and Charlotte City Council Agenda Due Date.</td>
</tr>
<tr>
<td>May 27, 2014</td>
<td>Contract Award by Charlotte City Council.</td>
</tr>
</tbody>
</table>

CLT reserves the right to modify the deadlines set forth in the above table in its sole discretion. Any such modifications will be stated in an addendum as described below in Section II.B.

B. INTERPRETATION AND ADDENDA

No interpretation or clarification regarding this RFP will be made verbally to any Proposer. Requests for interpretation or clarification must be submitted electronically to Olivia Clark at procurement@cltairport.com. When submitting a request for interpretation or clarification, Proposers are encouraged to reference the RFP page and topic number pertinent to the question(s). Requests for interpretation or clarification must be submitted on or before April 4, 2014 to receive a response.

Interpretations, clarifications and supplemental instructions from CLT will be in the form of a written addendum, which will be posted to the CLT website at http://charmeck.org/city/charlotte/Airport/AboutCLT/Pages/AdsForBids.aspx. Proposers shall acknowledge their receipt and review of all posted addenda on the Proposal Form attached hereto as Attachment 2. Failure to acknowledge receipt of an addendum will be construed as though the addendum had been received by such Proposer and submission of a Proposal will constitute acknowledgment of receipt of all addenda to this RFP.
Only the written interpretations, clarifications or supplemental instructions set forth in the posted addenda shall be binding, and Proposers are warned that no other source is authorized to give information concerning, explaining or interpreting this RFP. **CLT reserves the right to disqualify any Proposer who contacts a City or CLT official, employee, representative, contractor, or agent concerning this RFP other than in accordance with this Section.**

**C. MANDATORY PRE-PROPOSAL CONFERENCE**

A mandatory Pre-Proposal Conference will be conducted on **April 1, 2014 at 2:00 p.m. EST.** The Pre-Proposal Conference will be held at the CLT Center, 5601 Wilkinson Blvd., Charlotte, NC 28208 in the Piper Conference Room. If special accommodations are required for attendance, please notify Olivia Clark via email at procurement@cltairport.com, in advance of the Pre-Proposal Conference identifying the special accommodation(s) required. All Proposers are required to sign in at the CLT Center’s front desk and provide vehicle license tag numbers (if applicable). The Pre-Proposal Conference will include an information session and a walkthrough of the BHS. The BHS is presently under construction, so Proposers are encouraged to dress accordingly.

**D. EVALUATION COMMITTEE**

The Aviation Director will appoint an Evaluation Committee to review all Proposals. As part of the evaluation process, the Evaluation Committee may engage in discussions with any Proposer to determine in greater detail the Proposer’s qualifications and to learn about the Proposer’s proposed method of performance to facilitate arriving at a BHS O&M Contract that will be satisfactory to CLT.

CLT may in its discretion require one or more Proposers to make presentations to the Evaluation Committee or appear before CLT and/or its representatives for an interview. During such interview, the Proposer may be required to present its Proposal and to respond in detail to any questions posed. Additional meetings may be held to clarify issues or to address comments, as CLT deems appropriate. Proposers will be notified in advance of the time and format of such interviews and/or meetings.

**E. SELECTION CRITERIA AND MINIMUM REQUIREMENTS**

The Evaluation Committee will select and recommend the Proposer that, in its sole judgment, is most responsive in meeting the requirements and objectives of this RFP. The selection criteria and minimum requirements shall include the following:

(i) The extent and quality of Proposer’s experience in providing the requested services in similar facilities. Proposers must possess not less than five (5) years of continuous and demonstrable experience in the operation and maintenance of baggage handling systems substantially similar to the BHS and must have handled at least 1,900,000 outbound bags annually at one (1) or more large or medium hub airports. Reference Section IV of the SOW for additional information regarding Proposer experience and qualifications.

City of Charlotte – Charlotte Douglas International Airport

RFP 2014-03-001 BHS O&M Contract
The Evaluation Committee will consider all relevant materials and information in making its selection. The Evaluation Committee will select the Proposer that it determines, in its sole discretion, is best able to provide for the operation and maintenance of the BHS.

The Evaluation Committee will provide the Charlotte City Council with its recommendation for the award of the completed BHS O&M Contract to the successful Proposer. The Charlotte City Council may, in its sole and absolute discretion, accept or reject the recommendation of the Evaluation Committee. The City shall have no obligations under this RFP until Charlotte City Council has formally approved the award of the BHS O&M Contract to the successful Proposer and the BHS O&M Contract has been executed by both parties.

F. FINANCIAL SECURITY

Prior to execution of the completed BHS O&M Contract, the selected Proposer will be required to furnish CLT with a bond, letter of credit, or other credit instrument (“Financial Security”) in the amount of fifty percent (50%) of the fee for each contract year to secure performance under the BHS O&M Contract. The form and terms of the Financial Security will be governed by the BHS O&M Contract. The successful proposer is required to maintain the Financial Security for as long as the completed BHS O&M Contract is in effect.

G. CONFIDENTIALITY REQUIREMENTS

As a condition of this RFP, Proposer shall comply with all Confidentiality Requirements set forth in this Section. Failure to comply with the Confidentiality Requirements set forth herein may result in disqualification. Proposer shall execute and email this form to Olivia Clark,
Proposers acknowledge that the O&M Services may be subject to confidentiality under the Sensitive Security Information (“SSI”) Policy administered by the Transportation Security Administration (“TSA”). SSI must be protected as required by 49 Code of Federal Regulations (“CFR”) Part 1520. If Proposers come into possession of any documents marked as SSI, Proposers will safeguard this information as described in 49 CFR Part 1520 and shall not divulge such information without first notifying and obtaining the written approval of CLT.

H. CHARLOTTE BUSINESS INCLUSION PROGRAM

The City has a long history of creating and implementing strategies to support and encourage local business growth. In 2013, the City Council adopted the CBI policy to promote diversity, inclusion, and local business opportunities in the City’s contracting and procurement process for Minority, Women, and Small Business Enterprises (SBEs). For this Contract, SBE participation will be negotiated with the successful Proposer. The negotiated goal will be made part of the BHS O&M Contract. Proposers are required to complete SBE Form #3 – Subcontractor/Supplier Utilization Commitment, attached hereto as Exhibit C, identifying all SBEs that may participate as subcontractors on this project. A complete list of registered SBEs is available on the City’s website at www.charlottebusinessinclusion.com for your reference. This list provides the VMS # for each SBE. SBE firms listed on SBE Form #3 must be active SBEs certified by the City of Charlotte on the day the BHS O&M Contract is awarded.
III. PROPOSAL FORMAT AND SUBMISSION INSTRUCTIONS

A. PROPOSAL FORMAT

CLT desires all Proposals to be identical in format in order to facilitate the evaluation process. Failure to comply with the format requirements set forth herein may result in rejection of the Proposal. Proposals must be structured as follows:

1. Cover letter

The Proposal must include a letter of transmittal attesting to its accuracy, signed by an individual authorized to execute binding legal documents on behalf of the Proposer. The cover letter shall provide the name, address, telephone and facsimile numbers of the Proposer along with the name, title, address, telephone and facsimile numbers of the executive that has the authority to contract with CLT.

Each Proposer shall make the following representations and warranty in the Cover Letter, the falsity of which may result in rejection of its Proposal: “The information contained in this Proposal or any part thereof, including its Attachments, Exhibits and other documents and instruments delivered or to be delivered to CLT, is true, accurate, and complete. This Proposal includes all information necessary to ensure that the statements therein do not in whole or in part mislead CLT as to any material facts.”

2. Executive Summary – Maximum of five (5) pages.

The Proposer shall submit an executive summary, which outlines its Proposal, including the proposed general management approach. The Executive Summary shall, at a minimum, include an identification of the proposed project team, responsibilities of the project team and a summary of the proposed Scope of Work. This section should highlight aspects of this Proposal, which make it superior or unique in addressing the needs of CLT.

3. Confidentiality Requirements – Attachment 1

4. Proposal Form and supporting documentation – Attachment 2

5. Qualifications and Proposer Requirements Form, Operations and Maintenance Plan and supporting documentation – Attachment 3

6. Non-Discrimination Certification – Attachment 4

7. E-Verify Certification – Attachment 5

8. CBIP Documentation – Exhibit C

All Proposals shall be 8 1/2" x 11" format with all standard text no smaller than eleven (11) points. All Proposals should use double-sided copying and be unbound with tab dividers.
corresponding to the format requirements specified above. Failure of the Proposer to organize the information required by this RFP as outlined herein may result in CLT, at its sole discretion, deeming the Proposal non-responsive to the requirements of this RFP. The Proposer, however, may reduce the repetition of identical information within several sections of the Proposal by making the appropriate cross-references to other sections of the Proposal. Appendices for certain technical or financial information may be used to facilitate Proposal preparation.

B. SUBMISSION REQUIREMENTS

One electronic copy on a flash drive in searchable Adobe Acrobat .pdf format and five (5) unbound original and complete Proposals signed in ink by a company official authorized to make a legal and binding offer shall be submitted to the address set forth in Section I.B. above on or before **April 22, 2014 by 2:00 p.m. EST**. Proposals may be hand-delivered or delivered by U.S. Mail, Federal Express, UPS or other mail courier service. **Proposals sent by fax or email will not be accepted.** Due to ongoing construction at the CLT Center, hand-delivered proposals should be made to the receptionist at the temporary entrance designated “Visitor’s Entrance.”

C. EXECUTION

A Proposal shall be fully and correctly completed and signed by an authorized representative of the Proposer. A Proposer must submit its Proposal under its legal name. In submitting its Proposal, the Proposer must complete all forms set forth in the Attachments and Exhibits to this RFP to receive consideration.

D. CORRECTION OF ERRORS

The Proposer representative signing the Proposal must initial erasures or other corrections in the Proposal. The Proposer further agrees that in the event of any obvious errors, CLT reserves the right to waive such errors in its sole discretion.

E. WITHDRAWAL OF PROPOSALS

A Proposer may withdraw its Proposal provided that its request is in writing, sent by certified U.S. Mail, to the attention of Olivia Clark at the address set forth in Section I.B. above. A request to withdraw a Proposal by telephone, facsimile, email or other electronic means shall not be considered a valid request to withdraw a Proposal. The deadline for withdrawal requests is **2:00 p.m. EST on April 22, 2014.**

F. PROPOSAL TERMS FIRM AND IRREVOCABLE

The signed Proposal shall be considered a firm offer on the part of the Proposer. All Proposal responses (including all statements, claims, declarations, prices and specifications in the Proposals) shall be considered firm and irrevocable for purposes of contract negotiations unless specifically waived in writing by CLT. The successful Proposer should be prepared to have its Proposal and any relevant correspondence or documentation incorporated into the O&M Contract, either in part or in its entirety, at CLT's election. Any false or misleading statements
found in the Proposal may be grounds for disqualification.

Each Proposal shall contain a statement to the effect that the Proposal is a firm offer for one-hundred-eighty (180) calendar day period from the date of the Proposal opening. This statement must be signed by an individual authorized to bind the Proposer and include such individual’s name, title, address, and telephone number. All prices/fees quoted shall be firm and fixed for the full period of the O&M Contract.

G. REJECTION OF PROPOSALS

CLT reserves the right to reject any and all Proposals. CLT may, in its sole discretion, re-advertise for Proposals using this RFP or a different request for proposals or solicitation.
IV. RFP TERMS AND CONDITIONS

A. CLT’s RIGHTS AND OPTIONS

CLT reserves the following rights, which may be exercised at CLT’s sole discretion:

i. To supplement, amend, substitute, withdraw or otherwise modify this RFP at any time;

ii. To issue additional requests for information;

iii. To require a Proposer to supplement, clarify or provide additional information in order for CLT to evaluate its Proposal;

iv. To conduct investigations with respect to the qualifications and experience of each Proposer;

v. To waive any defect or irregularity in any Proposal received;

vi. To share the Proposals with City and/or CLT employees other than the Evaluation Committee as deemed necessary;

vii. To award all, none, or any part of the scope of work set forth in this RFP that is in the best interest of CLT with or without re-solicitation;

viii. To discuss and negotiate with selected Proposer(s) any terms and conditions in the Proposals including but not limited to financial terms; and

ix. To enter into any agreement deemed by CLT to be in the best interest of CLT.

B. ACCURACY OF RFP AND RELATED DOCUMENTS

CLT assumes no responsibility for conclusions or interpretations derived from the information presented in this RFP, or otherwise distributed or made available during this selection process. In addition, CLT will not be bound by or be responsible for any explanation, interpretation or conclusions of this RFP or any documents provided by CLT other than those provided by CLT through the issuance of addenda. In no event may a Proposer rely on any oral statement in relation to this RFP.

Should a Proposer find discrepancies or omissions in this RFP or any other documents provided by CLT, the Proposer should immediately notify CLT of such discrepancy or omission in writing, and a written addendum may be issued if CLT determines clarification necessary. Each Proposer requesting a clarification or interpretation will be responsible for delivering such requests to CLT as directed in Section II.B. of this RFP.

C. EXPENSE OF PROPOSAL PREPARATION
CLT accepts no liability for the costs and expenses incurred by the Proposers in responding to this RFP. Each Proposer that submits a Proposal shall prepare the required materials and submittals and attend any conferences, meetings or interviews at its own expense and with the express understanding that the Proposer cannot make any claims whatsoever for reimbursement from CLT for the costs and expenses associated with any aspect of the RFP process.

D. PROPOSERS’ OBLIGATION TO FULLY INFORM THEMSELVES

Proposers are expected to fully inform themselves as to all conditions, requirements and specifications of this RFP before submitting Proposals. Failure to do so will be at the Proposer’s own risk.

E. RFP NOT AN OFFER

This RFP does not constitute an offer by CLT. No binding contract, obligation to negotiate, or any other obligation shall be created on the part of CLT unless CLT and the Proposer execute the O&M Contract following award of such agreement by the Charlotte City Council.

F. RIGHT TO TERMINATE NEGOTIATIONS / DISCUSSIONS

The Proposer’s participation in this process might result in CLT selecting the Proposer to engage in further discussions including the negotiation of the BHS O&M Management Agreement. The commencement of such discussions and negotiations, however, does not signify a commitment by CLT to execute the BHS O&M Management Agreement or to continue discussions and negotiations. CLT may terminate discussions and/or negotiations at any time and for any reason prior to the award of a binding contract by the Charlotte City Council, and either abandon the selection process or select another Proposer with whom to enter into negotiations.

G. RESERVATION OF RIGHT TO AMEND RFP

CLT reserves the right to amend or supplement this RFP at any time during the process, if it believes that doing so is in the best interests of CLT. Any such amendment or supplement will be fully explained in an addendum posted to the CLT website at http://charmeck.org/city/charlotte/Airport/AboutCLT/Pages/AdsForBids.aspx as described in Section II.B. of this RFP.

H. ADDITIONAL EVIDENCE OF ABILITY

Proposers shall be prepared to present additional evidence of experience, qualifications, abilities, equipment, facilities, and/or financial standing. CLT reserves the right to request such information at any time during the Proposal evaluation period for this RFP.

I. NO COLLUSION OR CONFLICT OF INTEREST

By responding to this RFP, the Proposer shall be deemed to have represented and warranted that the Proposal is not made in connection with any competing Proposer submitting a separate Proposal to this RFP, and is in all respects fair and without collusion or fraud.
H. NORTH CAROLINA PUBLIC RECORDS LAW

Upon the date of City Council approval of the Proposer selected by the Evaluation Committee for award hereunder, all Proposals submitted in response to this RFP will be considered a public record except for information that falls under one or more of the statutory exceptions set forth in Chapter 132 and 66-152 et seq. of the North Carolina General Statutes. After such date, members of the general public who submit public records requests may review the Proposals. If any proposal contains confidential information protected from disclosure by Chapter 132 or 66-152 et seq., Proposer should specifically and clearly identify such confidential information in accordance with these statutes.
ATTACHMENT 1

CONFIDENTIALITY REQUIREMENTS
CONFIDENTIALITY REQUIREMENTS

CHARLOTTE DOUGLAS INTERNATIONAL AIRPORT

Proposer hereby agrees to the following restrictions on the use of confidential information in connection with this RFP:

1. CONFIDENTIAL INFORMATION. “Confidential Information” means any information in any medium (whether written, oral or electronic), obtained from the City or any of its suppliers, contractors or licensors which falls within any of the following general categories:

1.1. Plans and Drawings. Building plans of city-owned buildings or infrastructure facilities, including without limitation as-built drawings of the Facilities, as well as specific details of public security plans, as provided by N.C. General Statute 132-1.7 (a);

1.2. Trade secrets. For purposes of this RFP, trade secrets consist of information of the City or any of its suppliers, contractors or licensors: (a) that derives value from being secret; and (b) that the owner has taken reasonable steps to keep confidential. Examples of trade secrets include information relating to proprietary software, new technology, new products or services, flow charts or diagrams that show how things work, manuals that tell how things work and business processes and procedures;

1.3. Security Plans. Plans to prevent or respond to terrorist activity, including vulnerability and risk assessments, potential targets, specific tactics or specific security or emergency procedures, the disclosure of which would jeopardize the safety of government personnel or the general public or the security of any governmental facility, structure or information storage system as provided by N.C. General Statute 132-1.7 (a);

1.4. Privileged Information. Any attorney / client privileged information disclosed by the City.

1.5. Other Information. Other information that is exempt from disclosure under the North Carolina public records laws.

For purposes of this Section, the term “Restricted Data” refers to and includes: (a) all Confidential Information that the City is restricted from disclosing under state or federal law; and (b) all Confidential Information that the City is permitted to withhold from disclosure under state or federal law and has elected to withhold from disclosure.

The information described in Sections 1.1 and 1.3 is a subcategory of Confidential Information called “Highly Restricted Information.” Highly Restricted Information is subject to all requirements applicable to Confidential Information, but is also subject to additional restrictions as set forth in this RFP.

The parties acknowledge that Confidential Information includes information disclosed prior to submission of a Proposal as well as information disclosed after submission.
2. **RESTRICTIONS AND REQUIREMENTS.** The Proposer shall comply with the following restrictions and requirements regarding Confidential Information:

2.1. Proposer shall comply with the City’s Restricted Data Policy, a copy of which is posted on the City’s website, and with any instructions or procedures issued by City key business units from time to time with respect to protecting specific types of Confidential Information.

2.2. Proposer shall not copy, modify, enhance, compile or assemble (or reverse compile or disassemble), or reverse engineer Confidential Information, except as authorized by the City in writing.

2.3. Proposer shall not, directly or indirectly, disclose, divulge, reveal, report or transfer Confidential Information to any third party, other than an agent, subcontractor or vendor of the City or Proposer who: (a) has a need to know such Confidential Information for purpose of performing work contemplated by written agreements between the City and the Proposer, and (b) has executed a confidentiality agreement incorporating substantially the form of these requirements. Notwithstanding the forgoing, Proposer shall not directly or indirectly, disclose, divulge, reveal, report or transfer Highly Restricted to any third party without the City’s prior written consent.

2.4. Proposer shall not use any Confidential Information for its own benefit or for the benefit of a third party, except to the extent such use is authorized under these Confidentiality Requirements or other written agreements between the parties hereto, or is for the purpose for which such Confidential Information is being disclosed.

2.5. Proposer shall not remove any proprietary legends or notices, including copyright notices, appearing on or in the Confidential Information.

2.6. Proposer shall use reasonable efforts (including but not limited to seeking injunctive relief where reasonably necessary) to prohibit its employees, vendors, agents and subcontractors from using or disclosing the Confidential Information in a manner not permitted by these Confidentiality Requirements.

2.7. In the event that any demand is made in litigation, arbitration or any other proceeding for disclosure of Confidential Information, Proposer shall assert these Confidentiality Requirements as grounds for refusing the demand and, if necessary, shall seek a protective order or other appropriate relief to prevent or restrict and protect any disclosure of Confidential Information.

2.8. All materials which constitute, reveal or derive from Confidential Information shall be kept confidential to the extent disclosure of such materials would reveal Confidential Information, and unless otherwise agreed, all such materials shall be returned to the City or destroyed upon satisfaction of the purpose of the disclosure of such information.
2.9. Proposer shall restrict employee access to the Confidential Information to those employees having a need to know for purposes of their jobs.

2.10. Proposer shall take reasonable measures to prevent the use or disclosure of Confidential Information by its employees in a manner not permitted by these Confidentiality Requirements. Proposer shall have each of its employees who will have access to the Confidential Information sign a confidentiality agreement which provides the City and its vendors, licensors, subcontractors, employees and taxpayers the same level of protection as provided by these Confidentiality Requirements.

2.11. Proposer shall ensure that each person who obtains access to Confidential Information through Proposer (including but not limited to Proposer’s employees and subcontractors) has undergone training sufficient to understand his or her responsibilities with respect to these Confidentiality Requirements.

3. EXCEPTIONS. The City agrees that Proposer shall have no obligation with respect to any Confidential Information that the Proposer can establish:

3.1. was already known to Proposer prior to being disclosed by the City;

3.2. was or becomes publicly known through no wrongful act of Proposer;

3.3. was rightfully obtained by Proposer from a third party without similar restriction and without breach hereof;

3.4. was used or disclosed by Proposer with the prior written authorization of the City;

3.5. was disclosed pursuant to the requirement or request of a governmental agency, which disclosure cannot be made in confidence, provided that, in such instance, Proposer shall first give to the other party notice of such requirement or request;

3.6. was disclosed pursuant to the order of a court of competent jurisdiction or a lawfully issued subpoena, provided that the Proposer shall take reasonable steps to obtain an agreement or protective order providing that these Confidentiality Requirements will be applicable to all disclosures under the court order or subpoena.

4. REMEDIES. Proposer acknowledges that the unauthorized disclosure of the Confidential Information will diminish the value of the proprietary interests therein. Accordingly, it is agreed that if Proposer breachess its obligations hereunder, the City shall be entitled to equitable relief to protect its interests, including but not limited to injunctive relief, as well as monetary damages.

5. DATA. The Proposer will treat as Confidential Information all data provided by the City or processed for the City under these Confidentiality Requirements (including metadata). Such data shall remain the exclusive property of the City. The Proposer will not reproduce, copy,
duplicate, disclose, or in any way treat the data supplied by the City in any manner except that contemplated by this Confidentiality Requirements.

6. SENSITIVE SECURITY INFORMATION. Proposer acknowledges that certain documents and/or information that it may obtain in connection with this RFP may be subject to confidentiality under the Sensitive Security Information ("SSI") Policy administrated by the Transportation Security Administration ("TSA"). SSI must be protected as required by 49 Code of Federal Regulations ("CFR") Part 150. Should Proposer come into possession of documents and/or information marked SSI, Contractor shall safeguard such documents and/or information as described in 49 CFR Part 1520 and shall not divulge such information and/or documents without first obtaining the written approval of City.

Date: ________________________________

Authorized Signature: ________________________________

Printed Name: ________________________________

Title: ________________________________

Company Name: ________________________________

Contact Name: ________________________________

Contact E-mail address: ________________________________
ATTACHMENT 2

PROPOSAL FORM
PROPOSAL FORM

Proposer Name: __________________________________________

Principal Office Address: __________________________________

________________________________

PROPOSAL FOR
BAGGAGE HANDLING SYSTEMS OPERATIONS AND MAINTENANCE CONTRACT
AT THE CHARLOTTE DOUGLAS INTERNATIONAL AIRPORT
CITY OF CHARLOTTE, NORTH CAROLINA

TO: Brent D. Cagle
   Interim Aviation Director
   Charlotte Douglas International Airport
   CLT Center
   5601 Wilkinson Blvd.
   Charlotte, NC 28208

The undersigned Proposer hereby submits its Proposal to operate and maintain the BHS at the Charlotte Douglas International Airport.

A. TERMS AND CONDITIONS OF PROPOSAL

The undersigned proposes to operate, manage and maintain the BHS for CLT in the manner and for the fees described below pursuant to the terms and conditions of a BHS O&M Contract to be agreed upon and executed by Proposer and CLT, subject to approval by the Charlotte City Council.

B. BHS FEE SCHEDULE

For purposes of this Proposal, Proposer hereby agrees and proposes to accept the following BHS Fee Schedule for all O&M Services provided under this RFP and the BHS O&M Contract:

Start-Up Services:

<table>
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<tr>
<th>Start-Up Period</th>
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Base Services:

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Baggage Tub Management Alternate:

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<th>Start-Up Period</th>
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<th>Agreement Year 2</th>
<th>Extension Year 1</th>
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Wage Rates:

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<td>Baggage Jam Runner</td>
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<tr>
<td>Manual Encode Operator</td>
<td></td>
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<tr>
<td>Mechanical Technician</td>
<td></td>
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<tr>
<td>Electrical/Controls Technician</td>
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</table>

B. NON-COLLUSION AFFIDAVIT

In submitting this Proposal, Proposer hereby declares that the only person or persons interested in this Proposal as principal or principals is or are named herein and that no person other than herein mentioned has any interest in this Proposal or in the contract to be entered into; that this Proposal is made without connection with any other person, company or parties submitting a Proposal in response to this RFP; and that it is in all respects fair and in good faith without collusion or fraud. Proposer represents to the City that, except as may be disclosed in an Addendum hereto, no officer, employee or agent of the City presently has any interest, either directly or indirectly, in the business of Proposer, and that any such officer, employee or agent of the City having a present interest in the business of Proposer shall not have any such interest at any time during the term of the BHS O&M Management Agreement should it be awarded to the Proposer.

C. ACKNOWLEDGMENT OF RFP TERMS AS AMENDED BY ADDENDA

Proposer further declares that it has examined the RFP including all Attachments, Exhibits and Addenda, as acknowledged below, and that he/she has satisfied himself/herself relative to the requirements, procedures and rights of this RFP. Acknowledgment is hereby made of receipt of the following Addenda (identified by number) since issuance of the RFP.

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City of Charlotte – Charlotte Douglas International Airport
RFP 2014-03-001 BHS O&M Contract
D.  SUBCONTRACTORS

Proposer must list all proposed subcontractors, if any, in the table provided below. No change in the proposed subcontractors listed herein will be allowed without the express written consent of CLT. All proposed subcontractors must be able to demonstrate their ability to perform the services proposed to the complete satisfaction of CLT.

<table>
<thead>
<tr>
<th>Name of Subcontractor</th>
<th>Description of Services to be Performed</th>
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E.  PROPOSAL CHECKLIST

Proposal must initial each item below to confirm that it has been included in the Proposal. Proposals must be formatted in the same order as the checklist below.

<table>
<thead>
<tr>
<th>Cover Letter</th>
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<td>Executive Summary</td>
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<td>Confidentiality Requirements</td>
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<td>Proposal Form</td>
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<td>Qualifications and Proposer Requirements</td>
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<td>Non-Discrimination Certification</td>
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<tr>
<td>E-Verify Certification</td>
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<tr>
<td>CBIP Submittal</td>
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F.  BUSINESS TYPE

- [ ] Corporation
- [ ] Partnership
- [ ] Sole Proprietorship
- [ ] Joint Venture
- [ ] Limited Liability Corporation
- [ ] Other (Specify)

Organized under the laws of the State of ____________, and authorized by law to prepare and submit this Proposal and perform all work and furnish materials and equipment required under the BHS O&M Contract.

The full names and addresses of the shareholders, partners, joint venturers, members, firms and persons interested in the foregoing Proposal as principals or officers are as follows (attach additional pages if necessary):

____________________________________________

____________________________________________

____________________________________________

____________________________________________

City of Charlotte – Charlotte Douglas International Airport
RFP 2014-03-001 BHS O&M Contract
G. VERIFICATION AND CERTIFICATION OF AUTHENTICITY OF PROPOSAL

Submission of this Proposal is the duly authorized official act of the Proposer and the person(s) executing this Proposal on behalf of Proposer is duly authorized and designated to execute this Proposal on behalf of and as of the official act of Proposer, this ______ day of ____________, 2014.

Name: ________________________________

Signature: ________________________________

Printed Name: ________________________________

Title: ________________________________

Date: ________________________________

Address: ________________________________

______________________________

______________________________

______________________________
ATTACHMENT 3

QUALIFICATIONS AND PROPOSER REQUIREMENTS
QUALIFICATIONS AND PROPOSER REQUIREMENTS

All statements contained herein must be true and correct. Any omissions or inaccuracies may result in the rejection of this Proposal by CLT. Proposers should note that some responses require separate sheet(s) for response. Those responses should be appropriately marked corresponding to the question. Proposers should use as many additional sheets of paper as necessary to completely answer the question.

All of the information requirements in this Attachment 3 are required for Proposer and all subcontractors identified in the Proposal. Therefore, the use of the term “Proposer” in this Attachment 3 applies to Proposer and all subcontractors of Proposer that will be involved in the performance of the management and maintenance services pursuant to the BHS O&M Contract.

A. EXPERIENCE AND QUALIFICATIONS

1. Furnish a statement detailing Proposer’s background, experience and qualifications. This should include the following:

   • Number of years in business.

   • Description of Proposer’s corporate structure (corporation, partnership, joint venture, partnership) including state of incorporation, the executive team and any substantive changes to the corporate structure within the previous five (5) years.

   • Descriptions of current business operations, including (i) number; (ii) type; (iii) location; and (iv) a description of services provided.

   • Organizational chart including descriptions and resumes of key personnel that would be involved in providing the operation and maintenance services described in this Proposal and RFP. Key personnel shall include at a minimum managers and supervisors.

   • Names and addresses of the facilities where the Proposer operated, maintained and managed a baggage handling system substantially similar in size to CLT’s during the previous ten (10) years. Please provide for each facility (i) the name of the owner; (ii) a description of services provided; (iii) dates the Proposer provided the services; (iv) operating budget; (v) management fees or other compensation; and (vi) a point of contact for each facility (name, address and telephone number).

   • Information on quality monitoring programs that Proposer has implemented at other venues, including both descriptive information and sample evaluation forms from quality audits, performance standard evaluations or other similar programs.

2. Provide any other information that supports Proposer’s operations or maintenance experience that may be beneficial to CLT’s review of this Proposal.
3. Provide three references related to its business operations in the previous five (5) years at airports with similarly sized baggage handling systems.

B. PROPOSER HISTORY

1. Has Proposer ever entered into claims, actions, demands, suits or other litigation (collectively litigation) with any airport owner/operator or others over non-payment of rent or fees and/or non-performance? Yes ( ) No ( ). If the answer is “Yes,” attach a detailed explanation of the nature and result of such litigation.

2. Has Proposer declared bankruptcy in the past ten (10) years? Yes ( ) No ( ). If the answer is “Yes,” attach a detailed explanation including the date of filing, the jurisdiction (state and court), the amounts of assets and liabilities and the disposition of that action.

3. During the past ten (10) years, have any of Proposer’s management agreements, leases or other contractual agreements been canceled or terminated, either voluntarily or involuntarily, by an Airport owner/operator? Yes ( ) No ( ). If the answer is “Yes,” attach a detailed explanation including the date and circumstances of such cancellation/termination.

C. OPERATIONS AND MAINTENANCE PLAN

Proposer must submit an Operations and Maintenance Plan (“O&M Plan”) for the BHS that describes how Proposer will achieve the goal of operating and maintaining the BHS in a manner that ensures safe, high quality, reliable and uninterrupted service to all airlines and passengers using the Airport. The O&M Plan should include the following components:

1. **Maintenance Plan** – Proposer should address the manner in which it would provide the Base Services (Section V, SOW); the Supplemental Services (Section VI, SOW); and the Alternate Services (Section VII, SOW).

2. **Start-Up Plan** – Proposer should address the manner in which it would provide the Contract Start Up services set forth in Section VIII of the SOW.

3. **Quality Control Plan** – Proposer should provide proposed Quality Control Program as described in Section IX.1. of the SOW.

4. **Operation Plan** – Proposer should address the manner in which it would meet the documentation and reporting requirements set forth in Section XI of the SOW, including a detailed description of its Computerized Maintenance Management System.

5. **Staffing Plan** – Proposer should address the manner in which it would meet the staffing requirements set forth in Section XII of the SOW. The Staff Plan should include at a minimum:
• The management structure to be used in Proposer’s operations, including descriptive charts or diagrams that may provide additional detail.

• Experience requirements and wage rates (fully burdened) by job categories;

• Number of staff by job category needed to perform all services described in the SOW; and

• Employee conduct standards and other HR policies and procedures.

D. FINANCIAL INFORMATION

Please include Proposer’s financial statements prepared by an independent certified public accountant for the most recent three fiscal years. This information may be submitted in a separate envelope labeled separately from the Proposal and marked “CONFIDENTIAL” if desired. This information is not subject to disclosure under North Carolina’s public records laws.
ATTACHMENT 4

CITY OF CHARLOTTE – NONDISCRIMINATION CERTIFICATION
CITY OF CHARLOTTE
NONDISCRIMINATION CERTIFICATION

Project: Baggage Handling Systems Operations and Maintenance Contract

The undersigned Bidder hereby certifies and agrees that the following information is correct:

1. In preparing the enclosed Bid, the Bidder has considered all bids submitted from qualified, potential subcontractors and suppliers, and has not engaged in discrimination as defined in Section 2 below.

2. For purposes of this section, discrimination means discrimination in the solicitation, selection, or treatment of any subcontractor, vendor, supplier or commercial customer on the basis of race, ethnicity, gender, age, religion, national origin, disability or any otherwise unlawful form of discrimination. Without limiting the foregoing, discrimination also includes retaliating against any person or other entity for reporting any incident of discrimination.

3. Without limiting any other remedies that the City may have for a false certification, it is understood and agreed that, if this certification is false, such false certification will constitute grounds for the City to reject the Bid submitted with this certification, and terminate any contract awarded based on such Bid. It shall also constitute a violation of the City’s Commercial Non-Discrimination Ordinance and shall subject the Bidder to any remedies allowed there under, including possible disqualification from participating in City contracts or solicitation processes for up to two years.

4. As a condition of contracting with the City, the Bidder agrees to promptly provide to the City all information and documentation that may be requested by the City from time to time regarding the solicitation and selection of suppliers and subcontractors in connection with this solicitation process. Failure to maintain or failure to provide such information shall constitute grounds for the City to reject the Bid and to any contract awarded on such Bid. It shall also constitute a violation of the City’s Commercial Non-Discrimination Ordinance, and shall subject the Bidder to any remedies that are allowed there under.

5. As part of its Bid, the Bidder shall provide to the City a list of all instances within the past ten years where a complaint was filed or pending against Bidder in a legal or administrative proceeding alleging that Bidder discriminated against its subcontractors, vendors, suppliers, or commercial customers, and a description of the status or resolution of that complaint, including any remedial action taken.

6. As a condition of submitting a Bid to the City, the Bidder agrees to comply with the City’s Commercial Non-Discrimination Policy as described in Section 2, Article V of the Charlotte City Code, and consents to be bound by the award of any arbitration conducted there under.

____________________________________  ______________________
Proposer Name                      Date

Authorized Signature              Type or print name
ATTACHMENT 5

CITY OF CHARLOTTE – E-VERIFY CERTIFICATION
CITY OF CHARLOTTE  
E-VERIFY CERTIFICATION

This E-Verify Certification is provided to the City of Charlotte (the “City”) by the company signing below (“Company”) as a prerequisite to the City considering Company for award of a City contract (the “Contract”).

1. Company understands that:
   a. E-Verify is the federal program operated by the United States Department of Homeland Security and other federal agencies to enable employers to verify the work authorization of employees pursuant to federal law, as modified from time to time.
   b. Article 2 of Chapter 64 of the North Carolina General Statutes requires employers that transact business in this state and employ 25 or more employees in this state to:
      (i) verify the work authorization of employees who will be performing work in North Carolina through E-Verify; and (ii) maintain records of such verification (the “E-Verify Requirements”).
   c. North Carolina General Statute 160A-20.1(b) prohibits the City from entering into contracts unless the contractor and all subcontractors comply with the E-Verify Requirements.

2. As a condition of being considered for the Contract, Company certifies that:
   a. If Company has 25 or more employees working in North Carolina (whether now or at any time during the term of the Contract), Company will comply with the E-Verify Requirements in verifying the work authorization of Company employees working in North Carolina; and
   b. Regardless of how many employees Company has working in North Carolina, Company will take appropriate steps to ensure that each subcontractor performing work on the Contract that has 25 or more employees working in North Carolina will comply with the E-Verify Requirements.

3. Company acknowledges that the City will be relying on this Certification in entering into the Contract, and that the City may incur expenses and damages if the City enters into the Contract with Company and Company or any subcontractor fails to comply with the E-Verify Requirements. Company agrees to indemnify and save the City harmless from and against all losses, damages, costs, expenses (including reasonable attorney’s fees) obligations, duties, fines and penalties (collectively “Losses”) arising directly or indirectly from violation of the E-Verify Requirements by Company or any of its subcontractors, including without limitation any Losses incurred as a result of the Contract being deemed void.

<table>
<thead>
<tr>
<th>Proposer Name</th>
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<td>Authorized Signature</td>
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City of Charlotte – Charlotte Douglas International Airport  
Request for Proposals for Consolidated Rental Car Facility Management Agreement
EXHIBIT A

STATEMENT OF WORK
STATEMENT OF WORK
for
BAGGAGE HANDLING SYSTEMS
OPERATION AND MAINTENANCE SERVICES
at
CHARLOTTE DOUGLAS INTERNATIONAL AIRPORT (CLT)

REQUEST FOR PROPOSAL

PREPARED BY BNP ASSOCIATES, INC.

21 March 2014
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SECTION II - INTRODUCTION

01 INTRODUCTION

Charlotte Douglas International Airport (CLT) is the sixth busiest airport in the world with more than 140 nonstop destinations around the globe. CLT is served by seven domestic carriers and three foreign flag carriers. It is also US Airways' largest hub and the second largest airport on the East Coast.

CLT is presently under a renovation program, which includes a new Baggage Handling System (BHS) and Checked Baggage Inspection System (CBIS). The BHS and CBIS associated with this SOW are located in the Main Terminal of CLT.

A. East Matrix
   1. The East Matrix is located between column line 8E and column line 2 within the existing Terminal building. It consists of two independent stacked sub-matrices. The purpose of the stacked sub-matrix solution is to provide redundancy and fallback, but is also due to the high throughput requirements of each of the main transport and sortation lines. Due to the high capacity, a single mainline would not be able to process the required baggage quantity.

   2. The East Matrix processes baggage from eight (8) ticket counter/curbside takeaway subsystems. The ticket counter conveyors remain as the existing installation until traversing landside / airside wall into the bagrooms. At that point each of the check-in conveyors will be re-routed to combine baggage flow into mainlines which will rout to the screening matrices. The east matrix is also connected to transfer inputs and the recheck baggage. Once the baggage is accumulated onto the mainlines, it is then directed to either of the east side sub-matrices by high speed diverter. Dual diverters are provided for redundancy and flow distribution / load balance (one diverter to each sub-matrix). If the one or more of the east side sub-matrices shall become inoperative or full, then baggage can continue on the mainlines to the West Matrix.

B. West Matrix
   1. The West Matrix is located between column line 14 and column 24 within the existing Terminal building. It consists of two independent stacked sub-matrices. The purpose of the stacked sub-matrix solution is to provide redundancy and fallback, but is also due to the high throughput requirements of each of the main transport and sortation lines. Due to the high capacity, a single mainline would not be able to process the required baggage quantity.

   2. The West Matrix processes baggage from seven (7) ticket counter/curbside takeaway subsystems. The ticket counter conveyors remain as the existing installation until traversing landside / airside wall into the bagrooms. At that point each of the check-in conveyors will be re-routed to combine baggage flow into mainlines which will rout to the screening matrices. The west matrix is also connected to transfer inputs and the recheck baggage. Once the baggage is accumulated onto the mainlines, they are then directed to either of the west side sub-matrices by high speed diverter. Dual diverters are provided for redundancy and flow distribution / load balance (one diverter to each sub-matrix). If the one or more of the west side sub-matrices shall become inoperative or full, then baggage can continue on the mainlines to the East Matrix.

C. CBIS Operations
   1. ATR / BMA OOG Routing
      a. Once baggage enters into the CBIS area it is scanned by Automatic Tag Reader (ATR) and Baggage Measuring Array (BMA). The function of the ATR is to properly read the IATA tag which will then be used for tracking the bag and screening status.
b. The BMA is a volumetric scanner. The dimensional information obtained is used to ensure that only bags that are within the EDS processing capabilities are directed the machines. Baggage that is greater than the EDS processing capabilities are considered “Out of Gauge” (OOG). Out of Gauge bags bypass the EDS high speed diverters and the merge together via merge. Once merged onto a single subsystem they are routed directly to the CBRA for manual screening.

2. EDS Subsystems
   a. Once a bag has been volumetrically scanned and determined to be within the size capacity of the screening equipment it is routed to one of the six (6) available screening devices for Level 1 screening.
   b. Each of the ED subsystems contains a number of queuing conveyors upstream of the CTX-9800 device, which shall provide separation of the bags and buffer the input flow to the individual machines and allow for a balanced distribution of the bags among the available equipment. The queue conveyors directly prior to the EDS machine are 3'-0” to meet the gapping and throughput requirements. The distribution of bags to each machine shall be to alternate distribution in a ‘round robin’ fashion thereby equally distributing bags among the machines during low volume periods and will distribute in slugs per machine for higher volume efficiency.

D. The base services under this SOW require the operation, maintenance and repair of the entire CLT Airport outbound baggage handling systems.

E. This SOW and accompanying appendices are intended to generally illustrate the baggage handling systems at CLT, and their related configurations and associated functions.

F. The BHS at CLT is under construction during the bidding process of this SOW. The SOW shall cover the BHS in progression as phases are commissioned. See Section VIII for Contract Startup Dates.

G. It is the responsibility of the O&M Contractor to become familiar with the proposed system to provide the specified operation, maintenance and repair services on the existing and proposed systems. The enclosed drawings are intended to illustrate the BHS areas within the different levels of CLT, and generally outline the conveyor system configuration; the referenced conveyor line right-of-ways are presented as approximations for reference purposes.
02 SUMMARY OF WORK

A. This SOW requires 24 hours a day, 7 days a week operation, corrective and preventive maintenance services, with associated operational and maintenance reporting services for the above referenced Baggage Handling Systems at Charlotte Douglas International Airport, that shall be provided in accordance industry standards, best commercial practices and assure a safe, efficient and practical operations and maintenance program, consistent with the intended design and usage of the respective BHS as acceptable to the Owner.

B. The Operations and Maintenance (O&M) Contractor shall provide all labor, materials, tools, supplies, lubricants, equipment, transportation and supervision required for implementing the O&M services that are defined by this SOW, including but not limited to all required testing and trouble-shooting of system equipment/components to determine and correct any fault conditions.

C. The inventory of spare parts shall be managed and maintained by the O&M Contractor. The O&M Contractor is responsible for documenting and notifying CLT of all spare parts usage on a daily basis and request replenishment at a timely manner to ensure an adequate inventory of spare parts is maintained.

D. The requirements of this SOW are a combination of minimum operational and technical requirements and performance requirements.

E. The terms of these requirements are intended to consist of a 2-years base period with two (2) one-year extension option. The Contract will commence on a date to be established in a written Notice to Proceed.

03 DESCRIPTION OF SYSTEMS

A. The information in this section provides a summary-level description of the pertaining Baggage Handling Systems (BHS) that are directly related to the Charlotte Douglas International Airport and shall be covered under the base services of this operation and maintenance contract. The CLT BHS is under construction during the bidding process of this SOW. The following system descriptions are based on the final BHS configuration which shall be covered by this SOW.

B. Main Terminal

   1. There are ten (10) ticket counter lines, three (3) curbsides, two (2) recheck lines and two (2) transfer lines. The outbound security screening system is divided into two sides – i.e., East and West EDS Screening Matrix. Originating baggage from ticket counter, curbside and recheck lines can be routed to either screening matrix for security screening via a network of crossover subsystems.

   2. The East EDS Screening Matrix consists of two (2) main pre-EDS feed lines, five (5) EDS screening machines/lanes, two (2) main clear lines, two (2) main alarm lines. The West EDS Screening Matrix consists of two (2) main pre-EDS feed lines, three (3) EDS screening machines/lanes, two (2) main clear lines, two (2) main alarm lines. A Checked Baggage Reconciliation Area (CBRA) is located at each of the screening matrix.

   3. The system uses redundant servers and workstations for sortation and maintenance diagnostics. Centralized redundant Programmable Logic Controllers are used for lower level controls. There are four main sort lines for sortation to six (6) slope plate makeup devices using automatic tag reader arrays. There are three (3) manual encoding lines for baggage encoding.
C. CLT Baggage Handling Systems

Illustrations of relative locations of the BHS covered by the Statement of Work are defined in the illustrations of Appendix "B".

1. The original baggage handling systems (prior to the current construction) at CLT.
2. The estimated completion date for the current construction is Sep 14, 2015.
SECTION III - DEFINITIONS

AIRPORT – Charlotte Douglas International Airport. Also referred to as CLT.

AOA - Aircraft Operation Area - The portion of the Airport used or intended to be used for landing, takeoff or surface maneuvering of aircraft. This is a security area requiring security badging. Workers in this area are required to obtain and display an AOA photo ID credential. Drivers in this area are required to obtain an Aerodrome Vehicle Operator’s Permit.

ATR - Automatic Tag Reader, the laser scanner array that scans barcode format baggage tags.

BAGGAGE HANDLING SYSTEM (BHS) - Shall mean all BHS related structures, mechanical and electrical equipment and components that are associated with the specified conveyor lines of the facility, including all types of check-in collection conveyors, curbside input conveyors and associated door hatches, runouts/laterals, load/unload conveyors, transport conveyor segments, power turns, merges and make-up devices, high-speed pusher diverter units, plow diverters, baggage status displays, bag tag scanner arrays and manual encoding stations, fire/security doors, with associated Motor Control Panels, field control devices (e.g., photoeyes, limit switches, control stations/devices, audio/visual alarms and the like), motors, motor starters, disconnects, push buttons, including related BHS computers/PLCs, controls and control hardware and software, with management and support services required to operate and maintain the specified baggage handling systems as described by this Statement of Work.

BAGGAGE HANDLING SYSTEM OPERATION AND MAINTENANCE CONTRACTOR - Shall be synonymous with Contractor, O&M Contractor, Equipment Maintenance Contractor, Baggage Maintenance Contractor, BHS Maintenance Contractor, and Operation/Maintenance Contractor and shall mean the firm or company that is responsible for the operation and maintenance of the specified conveyor equipment and systems described by these Documents.

BASE SERVICES - O&M Contractor shall perform all work and all documentation and reporting services on all equipment covered by this Contract as listed and as described in the Statement of Work and be paid, upon submission of an invoice, a lump sum payment of 1/12 of the total price in the Schedule.

BSM - Baggage Sortation Message, Message sent from airline computer systems to BHS computers.

BSO - Baggage Service Operator or BHS Control Room Operator

CBIS – Checked Baggage Inspection System as part of the Baggage Handling System

CBRA – Checked Baggage Reconciliation Area

CLEAN - The absence of dirt, litter, debris, dust, surface marks, fingerprints, spills, oils, gum, grime, film, stains, streaks, spots, bag tags, blemishes, chemical residue, and/or any other foreign matter or chemical residue that cannot be removed without permanently damaging the underlying surface.

CMMS – Computerized Maintenance Management System

CONTRACT - The written agreement covering all services provided by the Contractor required by the Contract Documents, including the furnishing of labor, materials, and equipment in connection therewith.

CONTRACTING OFFICER - The person designated by the Owner as its authorized representative for purposes of the Contract.
CONTRACTOR - The organization responding to the Request for Proposal for the specified BHS Operation and Maintenance Services and who has entered into the contract with the Owner.

CORRECTION - The elimination of a deficiency.

CORRECTIVE MAINTENANCE (CM) - Required corrective measures or repairs typically identified during a PM, inspection, system failure, or unusual circumstance adversely affecting the normal BHS operation. Corrective maintenance shall be performed on a priority basis as necessary to meet the required System Service Availability.

DAYS – Except as otherwise specified, all days shall be calendar days.

EDS – Explosive Detection System

EPA – Environmental Protection Agency

FIS – Federal Inspection Service

HCS - Hazardous Communication Standard also known as “HAZCON”.

IATA – International Air Transportation Association

IPMP - Inspection and Preventive Maintenance Program

JOB SITE - The area within the Owner’s property lines or portions of such area, which are defined within the Statement of Work.

LITTER - Debris, waste paper, beverage containers, dead birds, dead animals, and the like.

MAINTAINED SYSTEMS - For simplicity purposes, this phrase refers to the systems for which this Statement of Work refers to, as they pertain to the schedules associated with this Statement of Work.

MAKE-UP DEVICE (MU##) - Conveyor used in the bagrooms to hand sort baggage.

MCP - Motor Control Panel. The MCP contains the electrical control and power circuit devices for the control of the baggage system(s).

MDS - Maintenance Diagnostics System

MEC - Manual Encoding Console. Console used to manually enter baggage data into BHS sortation computer, which also includes a hand-held scanner.

MIS - Maintenance Information System

MSDS - Material Safety Data Sheet

MUFIDS – Multi-user Flight Information Display System. Display screens located at the departures and arrivals levels, which show departing and arriving flight information.

NOTICE-TO-PROCEED (NTP) - A written form issued by the Owner that designates the commencement date for the work of the Contractor.
OEM – Original Equipment Manufacturer

OSHA - U. S. Occupational Safety and Health Administration. The Federal Government agency responsible for providing the rules and regulations on safety and health requirements in the workplace.

OWNER – City of Charlotte.

PEAK PERIOD – See Appendix F.

PERFORMANCE BOND – Bond covering all performance obligations of the Contractor or Subcontractor providing same.

PLC - Programmable Logic Controller, a microprocessor which controls BHS functions and operations.

PREVENTIVE MAINTENANCE (PM) - Scheduled cyclical maintenance of the BHS equipment and facilities performed to an acceptable standard, to the satisfaction of the Owner, and in accordance with the approved Maintenance Schedule, Maintenance Standards, relevant codes of Practice/Standards, statutory regulations as well as good engineering practice and including regular inspection, servicing, cleaning, detection and correction of potential failures either before they occur or before they develop into major defects (imminent failures).

PRIMARY TERMINAL OPERATING HOURS – Charlotte Douglas International Airport operates 24-hours a day, 7 days a week, 365 days a year (includes weekends and holidays).

QASP – Quality Assurance Surveillance Program

QUALITY ASSURANCE (QA) - A means by which the Owner is able to confirm that the quantity and quality of services received conformed to Contract requirements. These methods/procedures are not intended to aid the O&M Contractor in the performance of the Contract requirements and shall not be a substitute for Contract quality control.

QUALITY CONTROL PROGRAM (QC) - A method used by the O&M Contractor to assure that quality services are provided to satisfy the Contract requirements.

RIGHT OF WAY – Catwalks and floors that provide access to the baggage handling systems.

SCHEDULE OF RATES - Shall mean any schedule included in the Contract, which, in respect of any section or item of work to be carried out, shows the rate or respective rates of payment for execution of that work, and which may also include provisional items, provisional sums, quantities and prices.

SERVICES - Includes services performed, workmanship, and material furnished or utilized in the performance of services.

SIDA – Security Identification Area

SPARE PARTS – Replacement parts of the same type and equal quality to the original equipped parts and shall only include components physically installed on the BHS equipment including gearbox/speed reducer fluid, but exclude other lubricants such as grease, gear lubricant or any other lubricants required for corrective and preventative maintenance.

STATE – The State of North Carolina
**CHARLOTTE DOUGLAS INTERNATIONAL AIRPORT – BHS O & M SERVICES**

**SUBSYSTEM** - A set of conveyor segments and its related field elements (e.g., control stations, photoeyes, PLCs, MCPs, and the like), which is a system itself, and a part of the whole system.

**SUPERVISOR** - Supervises individuals and/or groups/teams of employees/subcontractors.

**SYSTEM HANDOVER DATE** – When the BHS is handed over from the Owner to the O&M Contractor for the execution of operation and maintenance service specified in this SOW.

**THE CONTRACT DRAWINGS** - the drawings referred to in this Statement of Work or the Contract.

**TSA** – Transportation Security Administration

**VANDALISM** - Willful or malicious abuse and/or destruction of property.

**VOC** – Volatile Organic Chemical

In these written Specifications (unless inconsistent with the content or subject matter or unless a contrary intention otherwise appears) the following clarifications/definitions shall apply:

a) Words importing the singular include plural and words importing the plural include the singular.

b) Words importing persons include a partnership and a body corporate.

c) Words importing the masculine gender include the feminine and neuter genders.
SECTION IV - QUALIFICATIONS

01 O&M Contractor Qualifications

A. As part of the O&M Contractor selection process, the O&M Contractor shall authenticate a minimum of five years of demonstrable experience as an O&M Contractor for high speed automated baggage sortation systems that utilized laser bar code scanning for the automatic processing of baggage, direct interfacing with the airline industry reservation systems for IATA License Plate bag tag information processing, high speed baggage diverters/pushers capable of operating at a minimum throughput rate of 60 bags per minute, integration with inline EDS devices, computerized sortation control systems controlling PLC systems, baggage tracking and computerized report generation for operational as well as maintenance status and graphic fault annunciation for the automated baggage system.
SECTION V - BASE SERVICES

01 DESCRIPTION OF SERVICES

A. The Owner’s goal for the Baggage Handling Systems is to provide safe, high quality, reliable and uninterrupted service to all Airlines and passengers and to achieve excellent customer satisfaction. The Owner’s objectives to accomplish this goal in relation to the systems in this Statement of Work are as follows:

1. To accomplish operation and maintenance functions of the BHS through a single service Contractor.
2. Excluding scheduled Preventive Maintenance and Vandalism outages, the Owner’s goal is to achieve a Baggage Handling System availability measured on a daily basis.
3. To respond to all trouble calls and perform the necessary repair or action effectively and efficiently.
4. To establish and implement a quality control program that results in continuous improvement in system performance.
5. To know the operational status and functional performance of the BHS at all times.
6. To provide accurate and timely maintenance and repair activity documentation.

B. The O&M Contractor shall provide all supervision, manpower, tools, supplies and lubricants necessary to perform all the services as described herein. This contract requires the O&M Contractor to provide fully qualified on-site personnel 24 hours a day, 7 days per week and 365 days per year.

C. These services shall include, but not be limited to, operation, full maintenance and repair services, preventive maintenance services, reporting and documentation of equipment activity and services performed on all Baggage Handling Systems at CLT.

D. The O&M Contractor shall also clean and maintain the right of ways of the Maintained Systems; this shall include all BHS related maintenance platforms and dormant conveyor lines.

02 RESPONSIBILITIES OF THE O&M CONTRACTOR

A. Responsible for the operation, maintenance and fault monitoring of the Maintained Systems in their entirety in a manner consistent with the original equipment manufacturer’s recommended guidelines, as summarized in the respective system Operations and Maintenance Manuals.

B. The O&M Contractor shall ensure that the Maintained Systems are operated and maintained consistent with all applicable local, state, federal and airport laws, codes and industry safety standards and assure a safe and efficient system for all personnel who operate, maintain or have access to it.

C. Responsible for all Maintained Systems preventive maintenance tasks.

D. Responsible for all Maintained Systems corrective tasks.

E. Responsible for all manual encoding operations and associated staff training.

F. Responsible for 24-hour, 7-day-a-week response and rectification of all fault conditions of the Maintained Systems as described herein.

G. Responsible for the procurement of all tools, material, supplies, lubricant and any other items required to perform the services defined herein.
H. Responsible for sole accountability of O&M Contractor’s employees including interviewing, hiring, training, airport security badging, insurance, parking, taxes, payroll and the like.

I. Responsible for providing daily, weekly and monthly reports to the Owner as described herein.

J. Take on the responsibility to cooperate in all respects with the airlines, the TSA and the Owner. Preventive Maintenance and non-scheduled maintenance tasks shall be coordinated with and scheduled around the requirements of the user airlines’ and TSA's operations.

K. Responsible for providing and maintaining all necessary vehicles, including, but not limited to scissor lifts, boom lifts, fork-lift trucks, golf carts and the like.

L. Responsible for the procurement, usage and caring of two-way Motorola radios that shall access the the Airport provided 800MHz radio system.

M. Responsible for maintaining 24 hours per day, 7 days per week, contact via Cellular telephone(s).

N. Responsible for acquiring the proper insurance and Airport permits for all vehicles that are at the site and used by the employees.

O. The O&M Contractor shall provide a computerized maintenance management system (CMMS) for the purpose of maintaining an inventory of spare parts, schedule and generate work orders for all maintenance and repair activity performed for each piece of equipment covered under this Contract.

P. Responsible for storing and maintaining an adequate inventory of spare parts as required for the maintenance of the Maintained Systems. Maintain a stock of spare parts as specified in the manufacturer's recommended spare parts list; and as required to satisfy the system availability requirement specified in this contract document and. Take on the responsibility for proper storage of the spare parts and maintaining a clean and organized setting within the allocated spare parts storage space(s).

Q. Responsible for filing parts and labor warranty claims with the BHS manufacturer. All reimbursement from the manufacturer's labor warranty shall become the property of the Owner. Maintain and submit record of repair work for equipment under manufacturer's warranty for reimbursement by the manufacturer. The record shall contain the time, date and duration of the repair, suspected cause of failure, location of equipment and failed part identification (serial number and parts number). If required by the manufacturer, the O&M Contractor shall return the failed parts to the manufacturer for replacement and reimbursement. The O&M Contractor shall pay for the delivery cost of the returned parts.

03 OPERATIONS

A. The O&M Contractor shall provide staffing for the CLT automated outbound sort system's Manual Encoding Stations to monitor the automated sortation process and encode problem bags and bags that are not read by the automated bag tag readers. The O&M Contractor shall provide staffing as needed to support the operational demand for manual encoding in the systems.

B. The O&M Contractor shall provide appropriate staffing in the BHS Control Room for the BHS operation. In relation to the Maintained Systems, the O&M Contractor shall provide personnel to address concerns and monitor the BHS computer equipment, software issues and to communicate with the Owner’s Information Technology staff.

C. The O&M Contractor shall maintain a storage area provided by the Owner for the storage of spare parts at the CLT Center Warehouse located at 5601 Wilkinson Blvd, Charlotte, NC 28208.
D. The O&M Contractor's representative(s), including the Contract manager, supervisors and the on-site Mechanics, Electricians/Controls technician shall attend all meetings and any required system training sessions as required by the Owner.

E. The O&M Contractor shall participate in meetings, coordinate with other parties as necessary and assist in the development of the BHS/CBIS Configuration Management Plan and Contingency Plan that are intended to be developed for the Maintained Systems. The O&M Contractor shall also participate and support testing of the Contingency Plan procedures that will be established for the Maintained Systems.

F. FALLBACK OPERATIONS

1. The O&M Contractor shall verify, on a daily basis and be ready to exercise/initiate any and all back-up or fallback modes or procedures at any time. This shall include (but is not limited to) verifying the availability of a sufficient stock of pre-printed Fallback/Pier tags as required to allow possible implementation on demand at any given time. Stock must be sufficient to ensure that stock cannot be depleted faster than it can be replenished if use were required for extended periods.

2. The initial stock will be purchased by the O&M Contractor. Be responsible for restock (in a similar manner to spare parts purchases) as required to ensure continuous availability as described above and for distribution of Fallback tags as needed.

3. The O&M Contractor shall develop a BHS and airline baggage service operation contingency plan for the Owners review and approval within 30 days of SOW commencement.

04 PREVENTIVE MAINTENANCE SERVICES

A. The reliability of the Maintained Systems and associated equipment highly depends on an effective maintenance program. The Maintained Systems shall be thoroughly inspected at regular intervals and corrective measures shall be taken to prevent equipment breakdowns. The O&M Contractor is responsible for maintaining the Maintained Systems at a responsible level, consistent with the industry standards and the OEM’s recommendations.

B. The O&M Contractor’s preventive maintenance program shall consist of the following three parts:

   1. Task and Frequencies
   2. Schedule
   3. PM Accomplishment Reporting against BHS availability, etc.

Task and Frequencies:

The O&M Contractor shall at a minimum perform all inspections and preventive maintenance tasks as defined in the ‘Operations and Maintenance Manuals’ (O&M Manuals) for the maintained systems. Due to the on-going new BHS constructions, the final O&M manuals for the new BHS may not be available at start of this Contract. The draft O&M manuals will be provided by the Owner to the O&M Contractor as soon as it is made available.

Upon the start of this Contract, the O&M Contractor shall review the existing O&M Manuals and the draft version of the new O&M manuals (if available at the time) for the various maintained systems and generate a single comprehensive ‘Inspection and Preventive Maintenance Program (IPMP) which defines the tasks (e.g., inspection, test, replacement) and intervals (e.g. daily, weekly, monthly, quarterly, annually) for each
type of equipment (e.g. conveyor, turn, diverter, motor control panel) and general tasks (e.g. ‘end of day walkthrough’, cleaning).

The IPMP shall be submitted to the Owner for review and approval. When equipment types are removed or added to the responsibility of the O&M Contractor the O&M Contractor shall update the IPMP and submit for the Owner’s review and approval.

If the performance requirements are not met against the specified criteria, the O&M Contractor shall adjust the IPMP to decrease inspection intervals and increase preventive maintenance as needed without additional cost to the Owner.

The O&M Contractor shall provide cleaning services of the BHS technical areas. BHS technical areas are non-public areas which are not occupied by the end users (i.e. TSA or airlines/ground handler personnel), which main purpose is the containment of BHS technical equipment. Operational areas, such as BHS Control Room(s), Satellite Workstations, CBRA, baggage make-up areas and baggage input areas are cleaned by the Owner’s custodial service.

Schedule:

Based on the approved IPMP the O&M Contractor shall create a work schedule which determines when the inspections and preventive maintenance on each equipment/subsystem will be executed in order to meet the requirements of the IPMP. The work schedule shall be broken down to tasks per day and subsystem.

The work schedule shall be prepared monthly and shall be submitted to the Owner. The work schedule shall include provisions for time required to respond to corrective maintenance requirements. When corrective maintenance requirements occurs certain preventive maintenance tasks for particular days may be rescheduled, but all tasks shall still be completed within their scheduled month.

All Preventive Maintenance tasks shall be performed during the operational ‘off-peak’ times, which may vary between the different systems within the Statement Of Work.

Owner Notification of scheduled Out of Service Events:

All out of service events shall be communicated to the Owner in advance for approval, whenever possible. The O&M Contractor shall, at the beginning of each shift, notify the Owner of previously Owner approved “Shift Activities” via e-mail of all units that the O&M Contractor intends to remove from service for preventive maintenance. The O&M Contractor shall include unit number, unit type, location, reason for unit being out of service, and estimated duration of outage.
05 MINIMUM ATTENDANCE

A. Irrespective of the performance requirements, the O&M Contractor shall provide well qualified staff to satisfy the following minimum staffing requirement:
   1. one (1) staff in the BHS control room at all times
   2. two (2) jam runners during all operational periods (one per each screening matrix)
   3. two (2) manual encode operators during all operational periods (one at each manual encode station)
   4. one (1) mechanic and one (1) electrical/PLC control technician during all operational periods. These technicians shall perform preventive maintenance activities and shall be available for corrective maintenance or repairs when needed.
   5. During the system peak operating period(s), the above referenced staff requirements for jam runner shall be doubled. The O&M Contractor shall include relief staff as needed to ensure continued coverage during primary staff break times.

B. The O&M Contractor shall determine the quantity and types of staff needed to meet the performance requirements of the Contract, taking the minimum requirements above into account.

C. Minimum attendance requirements for jam runners and manual encode operators will be exempted during the Initial Start-up Period defined in Section VIII.

06 CORRECTIVE MAINTENANCE SERVICES

A. Response to all equipment failures will be the responsibility of the O&M Contractor under Base Services.

B. The O&M Contractor shall remove from service immediately any piece of equipment covered by this Contract that is not operating in compliance with the code, or presents a safety hazard to users and shall notify the Owner immediately.

C. When deficiencies are found, the O&M Contractor shall immediately proceed to repair and/or correct the deficiencies per manufacturer’s guidelines. If a piece of equipment is required to be removed from service for any reason other than a Code/Safety deficiency, the O&M Contractor shall coordinate the removal of the equipment from operation in advance in writing with the Owner.

D. In the event of catastrophic equipment failure, the O&M Contractor shall immediately follow lockout/ tag out procedures and inform the Owner.

E. The O&M Contractor shall notify the Owner of “Equipment Status” via email of all units that have been placed out of service daily. The O&M Contractor shall include unit number, location and reason for unit being out of service, what date and time the out of service status began and the estimated duration of outage.

07 MAINTENANCE SERVICES FOR DORMANT EQUIPMENT

A. The O&M Contractor shall perform preventive and corrective maintenance services for equipment identified as ‘dormant’ in Appendix “D”.

B. The preventive maintenance tasks and frequencies defined in Appendix “E” shall be used, as minimum
requirement, for the preventive maintenance program for the dormant equipment.

C. The Owner may designate additional equipment as dormant or remove the designation for equipment as dormant.

D. The O&M Contractor shall not use field components, parts and/or control devices from the dormant subsystems as spare parts for other systems, without the written consent of the Owner.

08 HIGH LEVEL CONTROL SYSTEMS MAINTENANCE

A. The O&M Contractor shall engage in a service contract agreement with the BHS manufacturer/installer, Pteris Global Limited (PGL), to provide all BHS High Level Control System’s hardware maintenance such as sort controllers, servers, workstations network equipment. The service contract shall ensure 24/7 availability via a support hotline and have a maximum 4-hour response time from the time of initial notification to the time of arrival at the job site.

B. The O&M Contractor shall engage in a service contract agreement with PGL to provide all BHS High Level Control System’s software maintenance such as operating systems, BHS applications and antivirus. The service contract shall ensure an immediate response via remote support (dial-in, VPN or similar solution) and 24 hours on-site to make immediate recommendations and assist the Owner and the O&M Contractor to return the system to a fully on-line state in the shortest possible time frame.

C. The O&M Contractor shall coordinate all activities of PGL to ensure that any preventive maintenance is carried out during non-operational hours to minimize risk to on-going operations. Where possible the O&M Contractor shall coordinate the process for PGL to obtain Airside Operational Area security credentials or provide escorts when needed.

D. All work shall be communicated to the Owner in advance for approval, whenever possible. The O&M Contractor shall notify the Owner of all scheduled and unscheduled work by PGL. Any work by PGL during operational hours shall require express written permission from the Owner before commencing.

E. For any software and/or firmware patches and/or upgrades the O&M Contractor and PGL shall determine if the software and/or firmware patch and/or upgrade is necessary for the successful operation of the Maintained System and make a recommendation to the Owner for the Owner’s review and confirmation prior to executing the work. A full back-up of the BHS servers shall be performed prior to ANY application of a software and/or firmware patch and/or upgrade.

F. The O&M Contractor shall provide evidence of agreements with PGL prior to commencing the work under this Contract and shall maintain these agreements (or replace the agreements with new agreements without loss of coverage for any duration of time) for the duration of this Contract. Upon request by the Owner the O&M Contractor shall provide evidence that the agreements are in place and active.

G. The O&M Contractor shall be responsible to provide the necessary computers and software including all software licenses as necessary to perform the SOW.

09 BHS/CBIS OPERATIONAL PERFORMANCE REQUIREMENTS

A. The O&M Contractor shall be responsible for maintaining an average overall system availability of not less than .99 (99%) calculated on a weekly basis and based on the scheduled operating time of the systems. Take on the responsibility to dutifully execute the Statement of Work as defined and meet or exceed the system performance requirements (on a daily average basis) for conveyor line throughput rates, scanner read rates, tracking and sortation accuracy and overall system availability.
B. Availability

The Contractor acknowledges and agrees that the BHS will be used by the user Airlines (Seven days a week, every week of the year. Total system and airport operates and processes baggage 365 days a year, 24 hours a day) and the user Airlines will continue to carry out its normal operations in relation to the BHS throughout the Term.

1. The Contractor covenants and agrees to carry out and perform its covenants, obligations, duties and responsibilities under this Agreement in the least intrusive manner possible so as to minimize any effect upon, disruption to, interference with or interruption of:
   a. The user Airlines’ use and operation of the BHS
   b. The user Airlines’ activities which are related to or connected with such operation and use
   c. Any of the existing facilities and ongoing operations or other operations located in the area adjacent to the BHS.

2. Reliability requirements of each sub-system shall be measured in terms of “Availability” (A) of each sub-system. Availability of each sub-system is determined from the following definitions and formula.

3. Failure: A failure is defined as any malfunction of a sub-system component, assembly, or sub-assembly, which stops normal operations. A failure shall be charged against only one sub-system, which causes that failure. The following shall not be classified as failures:
   a. Malfunctions due to causes outside the sub-system such as sabotage, general power outage, etc.
   b. Malfunctions due to Baggage jams not caused by failure of a sub-system component, assembly or subassembly (except as noted below).
   c. Incipient failures, which are detected and repaired without affecting normal operation of the sub-system.
   d. Malfunction of one of a redundant Computer/PLC pair where the repair time does not affect normal operation of the system.

4. Scheduled Operating Time (ST): The scheduled time that the sub-system is available for Baggage processing.

5. Repair Time (RT): The interval of time between initiation of repairs and return of the sub-system to operation.

6. Note that the Maintenance Contractor is responsible for providing sufficient jam runners as required so that all normal baggage jams will be cleared within five (5) minutes. Any delay beyond five (5) minutes will be identified in performance reports and charged against the repair time calculation.

7. System Availability (A): System availability is defined as follows:

\[ A = \frac{(ST - RT)}{ST} \]

8. All PLCs, computers and control systems (including but not limited to BHS host computers, Sortation computers, and workstations) shall have an availability of not less than 0.999 (99.9%) to be calculated on a monthly basis. However, the maximum allowable downtime in a single operating day shall be no more than 2 minutes for a single event. The maximum downtime where both slave/master pair within computers, PLCs, and workstations fails simultaneously shall be 10
minutes in a year.

C. Sortation Accuracy

The O&M Contractor shall maintain all tracking devices (e.g., encoders, PLC’s, computer system databases, etc) in such proper order to achieve continuous sortation accuracy from an encoded position (i.e., ATR, BDD or manual encoding) of 99.9998%, calculated on a weekly basis, for the total number of bags input into the baggage system. Sortation accuracy is defined as encoded baggage that is sorted correctly to the assigned make-up device. Baggage that is sorted to the incorrect make-up device is classified as a mis-sort. The intent is to minimize mis-sorts and mis-connected baggage.

D. Tracking Accuracy

The O&M Contractor shall maintain all tracking devices (encoders, PLC’s, etc) in such proper condition to achieve continuous tracking accuracy from an encoded position (i.e., ATR, BDD or manual encoding) of 99.5%, calculated on a weekly basis, for the total number of bags input into the baggage system. Tracking accuracy is defined as the system’s ability to identify and control the location of the baggage from the point of encoding to the correct output. The intent of this requirement is to ensure system transit times are met and the Baggage is sorted in a timely fashion.

E. Read Rates

The Automatic Tag Readers (ATR) and Baggage Dimensioning Devices (BDD) shall be maintained per the manufactures recommended procedures. Cleaning of individual read heads will be performed twice a day (at system start-up in the morning and mid-afternoon). The minimum daily average read rate maintained will be 95% successful reads (see chart below) of all 10 digit (i.e., Standard IATA 10 Digit Bar Coded Baggage Tag) and all Device Number (fall-back) Baggage Tags. This figure does not apply to hand written tags or non-compliant tags, which negatively impact actual read rates. The intent is to reduce the volume of baggage processed through manual encoding, thus reducing transit times.

<table>
<thead>
<tr>
<th>Scanning Arrays</th>
<th>Minimum Read Rate Requirement</th>
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<tbody>
<tr>
<td>All arrays</td>
<td>95%</td>
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F. Redundant Controls Components

In the event of a redundant controls component failure during operational period, such as high level controls server components and PLC components, the failed component(s) shall be identified within 4 hours and shall be replaced within 48 hours of initial failure. Replacement of failed component(s) shall be performed during non-operational hours.

G. The maximum repair time (RT) for any corrective maintenance repair shall be two (2) hours by two (2) staff.

H. The maximum response time (measure from the time the issue occurs until the O&M Contractor has taken action) is 5 minutes.

I. Section XIII defines penalties that will be applied when the performance requirements are not met.
10 MATERIALS

A. With the exception of spare parts provided by CLT, the O&M Contractor shall furnish all resources (i.e. supervision, labor, tools, materials, supplies and equipment) necessary to fulfill all the requirements and satisfactorily perform all the services described in this Statement of Work in a safe, orderly, timely, efficient and workmanlike manner. The O&M Contractor shall provide any additional resources to fulfill the Contract requirements at no additional cost to the Owner.

B. The O&M Contractor shall provide all safety equipment/devices, personal protective equipment and clothing as required for its workers.

C. The O&M Contractor shall provide Cellular telephones with SMS and 2-way radio feature on a business network and full cellular/radio service for all key and on-site personnel.

D. The O&M Contractor shall provide two-way radios for all on-site personnel. Two-way radios shall comply with airport radio frequency policies.

E. The O&M Contractor shall provide and utilize on the job sites a digital camera and video recorder with date and time stamp capabilities to fulfill the requirements of this Statement of Work.

F. The O&M Contractor shall be responsible for providing, at its sole expense, all materials, office supplies, furniture, fixed improvements and equipment it may require in the office space.

G. The O&M Contractor shall provide and utilize on the job site a fax machine, printer and copier.

H. The O&M Contractor shall provide at a minimum of one (1) service vehicle, which shall be equipped, licensed, insured and AOA inspected. The service vehicle shall be on site at all times throughout the duration of this Contract. The service vehicle is required to transport materials and supplies, O&M Contractor’s employees and tools to various equipment locations.

I. The O&M Contractor shall purchase all supplies, tools, materials, lubricants, etc..
11 EXCLUDED SERVICES

All items, finishes, components, systems and subsystems of the maintained systems are covered by this Statement of Work with the following exclusions.

A. Inspection, testing, maintenance, repair and replacement of fire detection and fire alarm systems including automatic fire sprinkler heads/guards, smoke/thermal fire detectors, and local and remote annunciation systems. However, the O&M Contractor shall coordinate and assist with any contractors performing repair work of the fire alarm, electrical, or security systems interfacing with the BHS.

B. Repair and/or replacement of primary electrical power service up to the power drop points.

C. Repair and/or replacement of heating, ventilating and air conditioning systems or equipment.

D. Fire extinguishers

E. Lighting in the BHS operational and technical areas

F. TSA provided CBIS and CBRA equipment such as EDS machines and their servers, ETD machines and TSA provided furniture.

G. FIDS/BIDS

H. Cleaning of public and/or operational areas
SECTION VI - SUPPLEMENTAL SERVICES

01 DESCRIPTION OF SERVICES

A. The Owner may, during the course of this Contract, request that the O&M Contractor perform supplemental services which are outside the requirements of the Base Services Section of this Contract. An example of supplemental services is the repair of a conveyor motor that has been damaged by an airline tug (i.e., vandalism), or any work involving equipment outside of the scope of work under this Contract.

B. The O&M Contractor shall provide all supervision, labor, materials, supplies, tools, and equipment necessary to perform these services. Such work shall be compensated at the rates listed in the Schedule. There shall be no interference with tasks and baseline responsibilities set forth in this Statement of Work for O&M Contractor personnel assigned to this Contract.

C. The Owner shall incur no obligation for out of scope work that is not authorized in advance, in writing.

02 CONTRACT SERVICES CALL ORDER

A. All supplemental services will be approved in writing by the Owner using the “Contract Services Call Order” form shown in Appendix “C”. The Call Order will contain a description of the services that are required from the O&M Contractor. The O&M Contractor shall be required to provide the Owner a detailed cost estimate including an itemized breakdown for all labor, parts and materials.

B. Labor rates included on the Contract Pricing Schedule shall be used in preparing these estimates. The O&M Contractor shall not proceed with any work described in such Call Orders until authorized in advance and in writing by the Owner.

03 VANDALISM/“DAMAGE BY OTHERS” REPAIR SERVICES

A. Where repair is necessary as a result of vandalism, improper use or otherwise damage to the maintained systems not caused by normal operational use of the maintained systems the O&M Contractor is eligible for reimbursement of the labor cost if such repair requires the O&M Contractor to use additional staff not normally on duty.

B. Additional labor shall be authorized prior to execution of the repair by the Owner unless the vandalism or damage results in a safety concern in which case the O&M Contractor shall immediately proceed with the corrective maintenance.

C. Additional labor authorized by the Owner shall be reimbursable based on the fully loaded labor rates as specified in the schedule, Section III.

D. Parts used for any repair authorized by the Owner shall be reimbursable.
SECTION VII - ALTERNATE SERVICES

01 DESCRIPTION OF ALTERNATE SERVICES

A. The Owner may, at or any time after the award of this Contract, elect to add the following Alternate Service to the Base Services of this Contract. The O&M Contractor shall itemize the Alternate Service fee in the proposal.

B. The O&M Contractor shall provide all supervision, labor, materials, supplies, tools, and equipment necessary to perform these services.

02 ALTERNATE SERVICE: BAGGAGE TUB MANAGEMENT

A. The O&M Contractor shall collect the baggage tubs from the baggage make-up and claim areas and return them to their designated locations for operational use and/or safe and proper storage/staging. Empty baggage tubs shall be returned/recirculated to the user airlines’ ticket counter areas and inbound unload areas on a regular basis to maintain a sufficient supply of baggage tubs for the daily operations. Empty tub distribution and redistribution shall be performed manually (using hand carts, freight/service elevators).

B. At or near the end of each operational day, the O&M Contractor shall ensure that tubs are neatly and safely stacked at all load points (e.g., behind each check-in position in the Departures Lobby, in the Recheck area, at inbound load belts, transfer inputs, etc.) in preparation for the next operational day.

C. The O&M Contractor shall cooperate fully with airline baggage handlers so as not to impede their operations while collecting and/or redistributing baggage tubs.
SECTION VIII - CONTRACT STARTUP

01 INITIAL STARTUP SUPPORT

A. The O&M Contractor shall provide initial startup support during the commissioning period of the CBIS starting on or about July 1, 2014. The O&M Contractor shall participate in all commissioning activities alongside with the Owner’s representatives. This shall include, at a minimum, direct participation in system testing, TSA certifications and O&M training. The following milestone dates are provided for reference and are subject to change.

1. Commissioning Milestone Dates
2. West Matrix
   c. ISAT - TSA Certification [Sep 8, 2014 – Sep 19, 2014]
   d. Two (2) EDS Machines Operational [Oct 28, 2014]
   e. Fully Operational [Jan 12, 2015] START OF BASE SERVICE
3. East Matrix
   d. Fully Operational [Jul 1, 2015]
4. Overall Project Completion [Sep 14, 2015]

B. Base Service shall commence at the completion of Milestone 2.e referenced above.

C. In lieu of the above Initial Start-up Support requirement, the O&M Contractor may propose an alternate Start-up Support plan for the Owner’s consideration.

02 INSPECTION OF EQUIPMENT

A. The O&M Contractor shall, within thirty (30) days from the NTP. Perform an inspection and assess the condition of all existing equipment-to-remain covered under this Statement of Work to establish a condition baseline. All BHS equipment not yet installed at the time of Contract award will be in new condition when installed. The survey shall be submitted to the Owner for review and approval. The survey shall include the O&M Contractor’s observations of deficiencies in equipment condition, operation and/or performance and shall provide a written baseline report of discrepancies, which once approved by the Owner will serve as a “starting point” for the O&M Contractor to provide the ongoing maintenance.

03 KEY O&M CONTRACTOR PERSONNEL

A. The O&M Contractor shall identify and provide the Owner with a list of names and telephone numbers of its key personnel who shall be responsible for fulfilling all the requirements of this Statement of Work. O&M Contractor's Key Personnel List shall be provided to the Owner fifteen (15) days prior to the Contract start date and shall be updated when changes are made.
04 SECURITY BADGING

SECTION IX - GENERAL REQUIREMENTS

01 QUALITY CONTROL PROGRAM

A. The O&M Contractor shall implement an effective quality control program. This program shall ensure the O&M Contractor fulfills all the requirements of this Statement of Work. This program shall include but not be limited to including all elements of the quality control program described in the Technical Proposal submitted by the O&M Contractor in response to the Owner’s solicitation for this Contract. A final quality control program shall be provided by the O&M Contractor to the Owner no later than fifteen (15) days after Contract start date.

B. This program shall include but not be limited to the following:
   1. Responsibility for the day-to-day inspection and monitoring of all O&M Contractor work performed to ensure compliance with Contract requirements.
   2. A proactive management system based on using quality control inspections as a means of monitoring work performance to ensure services are being provided in accordance with the Contract documents. The O&M Contractor shall have at least one (1) of the O&M Contractor’s key personnel perform a quality control inspection for each shift and submit a copy of this report to the Owner weekly.
   3. Description of how inspections, scheduled and unscheduled, are to be conducted.
   4. Documentation, such as inspection forms and corrective action forms, to record inspections and corrective action performed.
   5. A comprehensive training program ensuring a knowledgeable and efficient work force.

C. At various times, either scheduled or unscheduled, the Owner may accompany the O&M Contractor while an inspection is performed.

D. At all times during the Contract period the O&M Contractor shall provide no less than the level of quality described in this Statement of Work.

E. The O&M Contractor shall not remove damaged or failed parts from the airport, until approved by the Owner.

02 OWNER’S QUALITY ASSURANCE SURVEILLANCE PROGRAM (QASP)

A. The maintenance services rendered under this Contract are subject to Owner inspections, both during and after completion of work. The Owner’s QASP is NOT a substitute for adequate and consistent quality control by the O&M Contractor.

B. The Owner has the right, at all times, to inspect services performed, O&M Contractor’s workmanship and materials furnished/utilized in the performance of such services to the extent practicable. The Owner shall perform inspections, as it deems necessary, throughout the term of the Contract. However, inspections and/or walk-throughs shall be conducted in a manner that will not unduly interrupt/delay the O&M Contractor’s work.

C. The Owner has the right to arrange for a third party to conduct a condition assessment on the Maintained Equipment, to identify and analyze equipment failures.

D. If any of the services do not conform to Contract requirements, the Owner may require the O&M Contractor to perform the services again in conformity with Contract requirements, at no increase in Contract amount.
When defects in service cannot be corrected by performing the service again, the Owner may:

1. Require the O&M Contractor to take the necessary action to ensure that future performance conforms to Contract.

2. Reduce the monthly payment to reflect the reduced value of the services performed. The Owner shall make a determination as to an appropriate sum of money that will approximately equate to the reduced service.

E. If, after having been directed by the Owner to correct a Contract deficiency, the O&M Contractor fails to promptly perform the services again or fails to take the necessary action to ensure future performance is in conformity with Contract requirements, the Owner may:

1. Perform the services (by Contract or otherwise) and charge the O&M Contractor any cost incurred by the Owner directly related to the performance of such service.

2. Terminate the Contract for default.

F. Typical Owner QASP methods.


2. Random Owner inspections of the facility.

3. CMMS Queries for status of open CM & PM work orders.

03 COMMUNICATION AND COORDINATION WITH OWNER AND AIRLINES

A. The O&M Contractor shall maintain an effective Communication and Coordination Policy with the Owner, the Airlines and the TSA utilizing email, telephones, faxes, pagers and the like to ensure the Owner, the Airlines and the TSA are kept abreast of current equipment status, planned outages, injuries, vandalism and the like, for the duration of the Contract. The Owner shall be included in all communications to the Owner, the Airlines and the TSA.

04 ACCIDENTS

A. The O&M Contractor shall be responsible for promptly notifying the Airport Police and the Owner of all accidents arising from the performance of this Contract involving bodily injury to workers, building occupants, visitors, or other persons. The Owner will provide the necessary information concerning whom to contact and the specific form of the follow-up written notice.

05 DELIVERY OF SUPPLIES

A. The O&M Contractor shall schedule its own supply deliveries and shall arrange to have deliveries made to CLT Center located at 5601 Wilkinson Blvd, Charlotte, NC 28208 during loading dock hours. The loading dock hours are 7am – 4pm local time, Monday – Friday. Telephone number is 704-359-4764.

06 SECURITY REQUIREMENTS

A. Refer to the Contract Document for Security Requirements.

07 SAFETY

A. All Contract employees shall comply with all applicable OSHA and Owner rules and practices, including directives issued by the Aviation Director, Airport Operations, Airport Police, TSA and Fire Departments, and Federal Aviation Administration while on the job site.
B. The O&M Contractor shall provide and ensure that all personnel at the work site wear the safety devices/apparel described below as required.
   1. Approved back support and protective devices
   3. Hearing Protection
   4. Safety Shoes
   5. Hard hats
   6. Reflective vests
   7. Safety harnesses
   8. Other safety devices/apparel as conditions warrant

C. The Owner reserves the right to inspect all areas for safety violations at its discretion, direct the O&M Contractor to make immediate improvement of necessary conditions and/or procedures, and/or stop the work if other hazards are deemed to exist.

D. In the event that the Owner should elect to stop work because of any type of existing safety hazards after the O&M Contractor has been notified and provided ample time to correct, the O&M Contractor shall bear all costs for eliminating the hazard(s) and shall not be granted compensation for the work stoppage. The O&M Contractor shall pay all additional expenses.

E. Aisles, system maintenance platforms and mezzanines, passageways, alleyways, entrances, exits or right-of-ways to fire protection equipment must be kept unobstructed at all times.

F. The O&M Contractor shall be responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the performance of the Contract. The O&M Contractor shall take all necessary precautions for safety of, and shall provide reasonable protection to prevent damage, injury or loss to persons, properties, equipment and vehicles.

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

H. The O&M Contractor shall, within fifteen (15) days of Contract award, submit its own detailed safety and protection plan/program that shall comply with all safety, environmental protection, property protection and health provisions of the Contract.

I. Prior to the use of any products or materials, the O&M Contractor shall provide the following submittals for review and approval by the Owner.
   1. Manufacturer’s product data and literature
   2. Manufacturer’s installation recommendations
   3. Samples, if required by the Owner
   4. Material Safety Data Sheets (MSDS)
08 FIRE PREVENTION AND PROTECTION

A. Fire prevention and protection at the Owner’s facilities property is essential. The Owner shall provide limited fire prevention equipment within the facilities. The availability of fire protection equipment provided by the Owner shall not limit the O&M Contractor’s responsibility or liability for maintaining a reliable fire prevention and protection program for its employees and the property serviced.

B. The O&M Contractor shall be knowledgeable of and provide adequate and appropriate training for all employees in the proper method of reporting a fire. All pertinent information regarding fire-reporting procedures may be obtained from the Owner.

09 SMOKE FREE ENVIRONMENT

A. The Owner’s facilities are smoke free. The O&M Contractor and its employees shall adhere to the rules and regulations in regard to this facilities maintenance of a smoke free environment.

10 LOST AND FOUND PROPERTY

A. The O&M Contractor shall turn in to the Airport Police Department all property found on the property immediately, any violations or disregard of the rules, regulations and/or policies may be cause for immediate termination.

11 FIXED IMPROVEMENTS AND OPERATING FACILITIES

A. During the period of performance of the Contract, title to the Fixed Improvements made by the O&M Contractor on the job sites shall remain with the Owner. “Fixed Improvements” includes any improvements, fixtures, additions, annexations or alterations to the job sites or a portion thereof which cannot be removed or changed without material damage to, or destruction of, either itself or the job sites or a portion thereof. All Fixed Improvements on the job sites shall require the prior written approval of the Owner.

B. The O&M Contractor shall have no right during the term of this Contract to demolish or remove, in whole or in part, any Fixed Improvements on the job sites except with the prior written consent of the Owner, which may, at the discretion of the Owner, be conditioned on the obligation of the O&M Contractor to replace the same by a building structure or improvements, which shall be left in place and title to them shall transfer to the Owner unless otherwise acquired in writing by both the O&M Contractor and the Owner.
SECTION X - SPECIAL REQUIREMENTS

01 PERMITS AND RESPONSIBILITIES

A. The O&M Contractor shall, without additional expense to the Owner, be responsible for obtaining all necessary licenses and permits. The O&M Contractor shall also be responsible for all damages to persons or property that occur as a result of the O&M Contractor's negligence and shall take proper safety and health precautions to protect the work, the workers, the public and the property of others. In addition, the O&M Contractor shall be responsible for all materials delivered and work performed until completion and acceptance of the entire work.

B. The O&M Contractor shall comply with all applicable revisions, additions, changes and/or upgrades to any Federal, state, and municipal laws, codes, and regulations which are in effect on the date of Contract and which affect the performance of the work. The O&M Contractor shall also obtain and pay the costs of any royalties and licenses for any patented or copyrighted items used in the performance of the work.

C. It shall be the responsibility of the O&M Contractor to promptly notify the Owner if an official in charge of compliance with the Occupational Safety and Health Act visits the work site.

02 REGULATION REQUIREMENTS

A. The O&M Contractor shall comply with all applicable Federal, state, local, Aviation Department regulatory, code and procedural requirements. This shall include but not be limited to the O&M Contractor complying with the following requirements:

   1. The Aviation Department's:
      b. Orders and Instructions
      c. Design Manual
      The Aviation Department's:
      d. Advisories
      e. Orders and Instructions
      f. Security, Traffic and Parking Requirements
      g. Safety Procedures including Lockout/Tagout, Confined Space Entry, Hazardous Materials, Material Safety Data Sheets and the like..

B. The O&M Contractor shall report all incidents and accidents immediately to the Aviation Department and the Owner in accordance with Federal and State laws and regulations and Aviation Department Orders and Regulations.

03 HAZARDOUS/CARCINOGENIC MATERIALS

A. The O&M Contractor shall not bring, produce, use, or store on the job site any hazardous or carcinogenic products without prior written approval by the Owner. All hazardous and/or carcinogenic waste transported or generated on-site at the Airport by the O&M Contractor must be properly disposed off the Airport site by the O&M Contractor as required by law and at no additional cost to the Owner.

B. The O&M Contractor shall provide the Owner with complete, legible copies of all regulatory notices,
violations, citations and the like received by the O&M Contractor that pertain directly or indirectly to the fulfillment of this Statement of Work.

04 VOLATILE ORGANIC CHEMICAL REQUIREMENTS

A. The O&M Contractor shall use on the job site only chemicals and cleaning products that do not exceed the national Volatile Organic Chemical (VOC) limitations rule(s) published by the U.S. Environmental Protection Agency (EPA).

05 HAZARDOUS WASTE

A. The O&M Contractor shall initiate a Hazardous Waste Management training program for its employees and subcontractors on the proper disposal of hazardous materials. O&M Contractor shall ensure employees are aware that the domestic drains, and storm drains shall not be used to dispose of gasoline, paint, thinners, oils, solvents, concentrated cleaning agents and other toxic material.

B. The O&M Contractor is responsible for collecting, accumulating, recycling, and/or off-site disposal of its hazardous and toxic waste off the Airport in compliance with Federal, state and local laws governing hazardous waste storage and disposal.

C. The O&M Contractor shall provide the Owner with documentation of hazardous materials or wastes that are accumulated, handled, generated, or disposed of by the O&M Contractor’s operations. The documentation shall demonstrate the adequacy of the handling and disposal operations used by the O&M Contractor and will demonstrate that the O&M Contractor activities will not result in contamination of Airport property. The Owner shall provide this documentation upon request during periodic environmental inspections of the O&M Contractor’s premises. The Owner shall be copied on all correspondence with regulatory agencies concerning the O&M Contractors compliance with environmental regulations.

D. If the O&M Contractor generates hazardous waste in an amount that makes it subject to state and EPA hazardous waste requirements, the O&M Contractor shall apply for a Hazardous Waste Generator Identification Number. Hazardous waste shall be shipped off the Airport using the O&M Contractor’s Hazardous Waste Generator Identification Number documented on a complete and properly signed Uniform Hazardous Waste Manifest. The O&M Contractor shall be required to submit an Annual Hazardous Waste Report to the Department of Environmental Conservation.

E. The O&M Contractor shall be responsible for developing a Resource and Conservation Act Contingent (RCRA) Plan if the amount of hazardous waste generated places it into a category that requires a plan.

F. The O&M Contractor shall be responsible for notification and reporting required under Superfund Amendments and Reauthorization Act (SARA), Title III regulations.

G. The O&M Contractor shall, at start of Contract, implement a written hazardous waste spill contingent plan listing materials used, spill prevention procedures, containment equipment and procedures to be used in the event of spill, personnel protective equipment requirements, notification procedures, in accordance with the Resource Conservation and Recovery Act (RCRA) and the Occupational Safety and Health Administration (OSHA) regulations.

H. In the event of the spill, the O&M Contractor shall notify the airport fire department at Charlotte Douglas International Airport. The O&M Contractor shall be responsible for all cleanups, site remediation and disposal costs including hazardous waste response teams that may be required at the site. All procedures shall be in accordance with applicable Federal, state and local environmental and OSHA regulations. The
O&M Contractor shall remove all hazardous waste materials from the Airport at the end of each workday. Hazardous materials that are temporarily stored at the job site shall be placed in containment devices that are capable of containing 110 percent of the volume of the substance in the event of a spill.
SECTION XI - DOCUMENTATION AND REPORTING

01 CONTRACTOR'S COMPUTERIZED MAINTENANCE MANAGEMENT SYSTEM (CMMS)

A. The O&M Contractor shall provide a computerized maintenance management system (CMMS) at the start of this SOW for the purpose of scheduling and generating work orders for all maintenance and repair activity performed for each piece of equipment covered under this Contract.

B. The O&M Contractor shall generate work orders for all service calls, bag jam clearing, vandalism, corrective maintenance repairs as applicable. Upon completion of work the O&M Contractor shall be responsible for closing out the work order by inputting all relevant information data in the CMMS that relates to work performed by the O&M Contractor. This information data shall include the equipment number, name of Mechanic(s)/Electrical and/or Controls Technician, date of service, duration of work performance, specific repairs accomplished, part numbers, labor, date completed and any comments necessary to explain corrective action or work performed.

C. The O&M Contractor shall provide the Preventive Maintenance tasks and intervals for each equipment type and a list of equipment for each type to the Owner in Excel format. The Contractor shall enter this data into the CMMS after which the CMMS will generate the Preventive Maintenance schedule. When equipment is added or removed or when equipment types are added or removed from the scope of this Contract the O&M Contractor shall provide the updated information to the Owner within five (5) business days after the change of scope.

D. The O&M Contractor shall provide the Owner, five (5) business days after the end of each month a CMMS generated Work Order Status Report that details all incomplete and completed work orders generated during the previous month. At a minimum the report shall contain; work order number, PM type/service required, brief description of work, equipment description, account code, origination date and completion date.

02 BHS REPORTS

A. The BHS Control Room consists of Baggage Handling Computer equipment that provide system fault monitoring/maintenance diagnostics and associated report functionality. The O&M Contractor shall provide BHS generated reports when requested by the Owner and transmit them in the format requested by the Owner (e.g. Hardcopy, PDF by softcopy, CSV by e-mail). The content and format of the reports are to be reviewed and approved by the Owner within thirty (30) days of contract award.

B. Some of the reports may contain information considered Security Sensitive Information as defined under 49 C.F.R. Parts 15 and 1520. Any Security Sensitive Information shall be treated in accordance with the established TSA protocols for such information.

03 PREVENTIVE MAINTENANCE SCHEDULE DEVIATION REPORT

A. The O&M Contractor shall develop and submit a monthly Preventive Maintenance Schedule Deviation Report that documents all PM’s that were not completed on time as originally scheduled. For all outstanding work, the O&M Contractor shall include a proposed schedule for re-accomplishment, and a complete explanation as to why work was unable to be performed. The O&M Contractor shall submit the Schedule Deviation Report to the Owner no later than five (5) business days prior to the end of each month.

04 MAINTAINED SYSTEM DOWNTIME REPORT

A. O&M Contractor shall develop and maintain monthly a report in MS Excel format that documents all
instances of non-PM related system outages. This report shall include, at a minimum, date and time of notification, O&M Contractor response time to problem, sections of Maintained System affected, responding technician(s), cause of system downtime and system return to service date and time.

05 EQUIPMENT DATA EVALUATION AND TRENDING

A. The O&M Contractor shall perform trend analyses for all Equipment covered by this contract and shall provide monthly reports identifying, at a minimum, outage trends, bag jamming trends and the like.

06 EQUIPMENT RELATED ACCIDENTS/INJURIES

A. The O&M Contractor shall provide a formal report of all accidents and/or injuries, which occur and involve the equipment covered by this Contract via email no later than two hours after the occurrence. This report shall identify all parties involved, location, times and suspected cause of incident.

07 VANDALISM INCIDENTS

A. The O&M Contractor shall respond to all calls for suspected vandalism that involve the equipment covered by this Contract. If the O&M Contractor finds suspected vandalism damage to the equipment the O&M Contractor shall secure the equipment, contact the Police, Airport Operations and CLT Facilities Department to report the incident.

B. The O&M Contractor shall, in all instances of suspected vandalism, provide the Owner within three (3) business days; date stamped digital photographs, a complete statement of justification, a Police Incident Report Number, a Work Order Request Number, Equipment Reference Number and an estimated cost break down to complete the repairs.

08 CONFIGURATION MANAGEMENT PLAN

A. No Software or PLC code changes are allowed without written consent from the Owner. In the event that a software or PLC code change is required and has been authorized in written form by the Owner, the O&M Contractor shall track every software and PLC code change made to the BHS and its operating programs, including who, where and when changes were made. Previous revisions shall be archived for future use.

B. The Contract Service Call Order form in Appendix C shall be used by the O&M Contractor to request a software or PLC code change. All software and PLC code related work shall be considered Base Service work. No additional payment will be issued to the O&M Contractor for such work.
SECTION XII - PERSONNEL

01 GENERAL PERSONNEL REQUIREMENTS

A. All services covered by this Contract shall be performed by fully qualified and trained technicians.

B. The O&M Contractor's on site employees shall possess sufficient computer skills and software (Word, Access, Excel, Outlook, Crystal Reports) knowledge to perform data entry, queries, downloads and analysis of the Maintained Systems’ performance and CMMS databases as well as send/receive e-mails.

C. The O&M Contractor shall provide to the Owner resumes for all key personnel (i.e., Contract Manager, and on-site personnel such as Supervisors, BHS Control Room operators, Manual Encode Operators, Mechanics, Electricians and Controls Technicians) for the Owner's approval. These resumes shall be provided to the Owner no later than fifteen (15) business days prior to employee's intended start date.

D. All O&M Contractor personal shall have good verbal and written command of the English language.

02 CONTRACT MANAGER

A. The O&M Contractor shall provide a qualified and experienced full time on-site Contract Manager at CLT. The Contract Manager shall have full authority to act for the O&M Contractor and serve at all times to carry out all the provisions of the Contract. The Contract Manager shall be in charge of and have overall responsibility for the work to be carried out under this contract and as such shall devote their time exclusively to this task.

B. Contract Manager work hours shall be –a minimum 40 hours per week. The Contract Manager shall determine his work hours as such to cover as much of the peak periods of the systems within the scope as possible.

C. The name of the Contract Manager and an equally responsible alternate (e.g., Supervisor) who shall take on the Contract Manager's duties when the primary Contract Manager is absent shall be designated in writing to the Owner fifteen (15) business days prior to the Contract start date.

D. The Contract Manager shall be available for calls 24 hours a day, seven (7) days a week. The Contract Manager shall be available at all times to attend regularly scheduled and/or on-demand meetings, required system training sessions, tours and inspections requested by the Owner and/or user Airlines to discuss the Maintained Systems.

E. The Contract Manager shall possess the necessary computer skills required to perform trending, queries and analysis of the Maintained Systems' performance histories. The Contract Manager shall also possess the ability to receive and send email, and have basic spreadsheet, word processing and database skills.

F. The Owner shall have the right in its sole discretion to approve or reject any Contract Manager selected by the O&M Contractor at any time.

G. The Contractor Manager shall provide overall supervision over the day to day operations, manage exceptional/emergency situations, perform the communication with the Owner, Airlines and TSA, perform and/or supervise administrative work (human resource management, invoicing and the like) and all other tasks as required to perform the requirements of this Contract.
A. The Control Room operators shall have a minimum of 2 years of experience in a similar role for similar size and complexity system(s). The control room operator shall fully understand all the functions of the BHS Control Systems, the Owner approved System Contingency Plan, and how to use these functions to monitor, control/manage the operational control functions of the BHS for dispatching appropriate Mechanics/Technicians to troubleshoot and address system faults.

B. The role of the control room operator is to constantly monitor the status of the Maintained Systems and alert jam runners, technicians and the Contract Managers when situations occur that need their attention. The control room operator shall have a good understanding of the physical system layout and associated controls functionality in order to efficiently manage the baggage flow during the daily operation through the BHS and direct the response staff to the incidents. The Control Room Operator’s duties shall also include, but not be limited to:

1. Monitor the conveyor line baggage flow balancing.
3. Monitor statistical reports.
4. Monitor/set make-up assignments.
5. Obtain, edit and load flight schedules
6. Respond to operation inquires, complaints and issues.
7. Make BHS operational decisions, initiating and coordinating implementation of any backup/fallback procedures necessary to allow continued operations (e.g., choosing alternative routings via reversible conveyors, initiating use of Fallback tags, coordination with user airlines).
8. Interface directly with the user airlines, airport and the TSA.
9. Ensure smooth daily start-ups by reviewing start-up check lists and procedures.
10. Assume the responsibility of staffing the BHS Control Room and the monitoring of the baggage handling system, via the BHS Management Information System (MIS) and Maintenance Diagnostics System (MDS), during the system’s operational period.

C. The control room operator may also support the Contract Manager is preparing reports and trending analysis if this does not interfere with the primary duty of system monitoring.

D. The following is a statement of work for the Operations Staff that will be assigned to the Baggage Handling System Computer Control Room. The tasks are separated into three (3) groups; 1) Daily Tasks, 2) Regularly Scheduled Non-Daily Tasks, and 3) Random Unscheduled Tasks. The following list along with the BHS supplier’s recommendations, as referenced in the System’s operation and maintenance manuals shall be used as minimum requirements for the task assignments to the BHS Control Room staff (this list is not to be construed as being complete; it is provided only as a guide and to establish minimum requirements).

1. BHS Control Room Operator’s Daily Tasks

<table>
<thead>
<tr>
<th>Task</th>
<th>Daily Task Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Ensure that all previous day’s “Day End Tasks” have been completed.</td>
</tr>
<tr>
<td>2</td>
<td>Collect, log and file all “End of Day” reports printed during the nightly End-of-Day processing. (1st Shift Only)</td>
</tr>
<tr>
<td>Task</td>
<td>Daily Task Description</td>
</tr>
<tr>
<td>------</td>
<td>-----------------------</td>
</tr>
<tr>
<td>3</td>
<td>Ensure that BHS Sortation and MDS computers are operational.</td>
</tr>
<tr>
<td>4</td>
<td>Verify, via the MDS, that all communications links are running and operational (Host BSM, PLC, etc.).</td>
</tr>
<tr>
<td>5</td>
<td>Log onto the User interface workstation.</td>
</tr>
<tr>
<td>6</td>
<td>Verify, via MDS, that there are no devices in an alarm state or condition that will prevent the BHS conveyors from starting and contact maintenance to correct any conditions that may prevent system start-up.</td>
</tr>
<tr>
<td>7</td>
<td>Verify that the flight schedule loaded is the correct flight schedule for the current days flights and make any corrections needed.</td>
</tr>
<tr>
<td>8</td>
<td>Set and verify flight to Make-up assignments are correct, and make changes as required.</td>
</tr>
<tr>
<td>9</td>
<td>Verify readiness to exercise/initiate any and all back-up or fallback modes or procedures at any time (e.g., Fallback tags available for implementation on-demand, redundant computers on-line, etc.). Be responsible for initiating restock (in a similar manner to spare parts purchases) and distribution of Fallback tags as required to ensure continuous availability.</td>
</tr>
<tr>
<td>10</td>
<td>Monitor MDS for any visual and audible alerts, and notify maintenance operations of identified conditions that may need correction.</td>
</tr>
<tr>
<td>11</td>
<td>Monitor and accept/reject automatic FIDS/BIDS downloads.</td>
</tr>
<tr>
<td>12</td>
<td>Print End-of-Shift reports, log and file.</td>
</tr>
<tr>
<td>13</td>
<td>Coordinate and communicate with users and Contractor maintenance staff as required for baggage tub management, ensuring availability at load points at all times.</td>
</tr>
<tr>
<td>14</td>
<td>Operator Log-Off.</td>
</tr>
<tr>
<td>15</td>
<td>Retrieve and file all Alarm Log Reports from all Alarm Printers.</td>
</tr>
<tr>
<td>16</td>
<td>Fully advise next shift of current conditions and relevant issues as required.</td>
</tr>
</tbody>
</table>

2. BHS Control Room Operator’s Regularly scheduled Non-Daily Tasks:

<table>
<thead>
<tr>
<th>Task</th>
<th>Regularly scheduled Non-Daily Task Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Collect, label and store Incremental System Back-up tapes/CDs.</td>
</tr>
<tr>
<td>2</td>
<td>Prepare a blank tape/CD for automatic Incremental system-back up.</td>
</tr>
<tr>
<td>3</td>
<td>Prepare and save weekly, monthly and yearly reports.</td>
</tr>
<tr>
<td>4</td>
<td>Print, distribute and file weekly, monthly and yearly reports.</td>
</tr>
<tr>
<td>5</td>
<td>Perform regular Preventative Maintenance (PM) of Control Room</td>
</tr>
</tbody>
</table>
### Task Regularly scheduled Non-Daily Task Description

<table>
<thead>
<tr>
<th>Task</th>
<th>Regularly scheduled Non-Daily Task Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>Prepare a blank tape/CD for Monthly Full System Back-up.</td>
</tr>
<tr>
<td>7</td>
<td>Perform Monthly Full System Back-up.</td>
</tr>
<tr>
<td>8</td>
<td>Collect, label and store Full System Back-up tapes/CDs.</td>
</tr>
<tr>
<td>9</td>
<td>Download and edit New Flight Schedules.</td>
</tr>
<tr>
<td>10</td>
<td>Ensure/request maintenance staff perform scheduled PM (e.g., clean Scanner Array optics two (2) times per week, etc.).</td>
</tr>
<tr>
<td>11</td>
<td>Check spare parts inventory and initiate any required purchase requests</td>
</tr>
</tbody>
</table>

### 3. BHS Control Room Operator’s Random Unscheduled Tasks

<table>
<thead>
<tr>
<th>Task</th>
<th>Random Unscheduled Tasks Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Report and document any BHS equipment failures (Computers, PLC, Printers, etc.)</td>
</tr>
<tr>
<td>2</td>
<td>Provide on-site support to off-site support personnel.</td>
</tr>
<tr>
<td>3</td>
<td>Add/Delete/Modify User ID and Password.</td>
</tr>
<tr>
<td>4</td>
<td>Assign/Modify User Security levels.</td>
</tr>
<tr>
<td>5</td>
<td>Keep complete records of any changes to code/software and coordinate implementation with operation/users as required.</td>
</tr>
<tr>
<td>6</td>
<td>Prepare for and perform Full System Back-ups immediately before and after any such changes to code/software.</td>
</tr>
</tbody>
</table>

### 04 BAGGAGE JAM RUNNERS

A. Jam runners shall have a good understanding of the system layout and the procedures required to resolve jams and reset faults.

B. The role of the Jam runner is to be the first responder to system events such as jams and perform the necessary procedure to resolve the event, in a safe and expedient manner. If the jam runner determines that corrective maintenance repairs are needed the jam runner shall alert the control room operator(s).

C. The Jam runners may also perform other duties such as collect, stage and redistribute empty baggage tubs from the concourses to the airline counters, cleaning and/or assisting the maintenance technicians, on an as needed basis, where this does not interfere with their primary duties. Other duties that may be assigned to Baggage Jam Runners are as follows:

1. Relieve the manual encoding operators for breaks and lunches.
2. Observe and report any maintenance, operations and/or repair problems to the maintenance mechanics/technicians.
3. Responsible for general cleanup of work areas and in/around conveyor equipment at a frequency required to maintain units free of trash, dirt and debris.
4. Responsible for manual movement of baggage in the event of system outage, during system fallback.
conditions, etc. as required.

05 MANUAL ENCODE OPERATORS

A. The Manual Encode operators shall fully understand the Baggage Handling Sort System’s control functions as they relate to the Manual Encode operation and how to use these functions to handle baggage that end up at their station (e.g., bags with “No-read” faults and/or no baggage tags). Manual encode operators shall fully understand how to read airline baggage tags and enter the information into the manual encode console where needed. Accuracy is a key requirement for this work.

06 MECHANICAL TECHNICIAN

A. The mechanical technician shall be fully trained in the preventative maintenance tasks and all repair procedures required to maintain and repair the equipment in accordance with the equipment supplier’s operational and maintenance manuals.

B. The mechanical technician shall be experienced and skilled in the use of the hand and bench tools needed to execute the maintenance and repairs of the equipment.

C. There shall be at least one (1) Lead mechanic on-site at all times. Lead mechanics shall have a minimum of 5 years of experience in their field. The following list is a general outline of the job duties for the Mechanical Technician(s), which is not to be construed as “all inclusive”:

1. Monitor daily operations and statistics of the baggage system to determine problem areas.
2. Troubleshoot and repair all mechanical component faults of the BHS system.
3. Analyze all data from the baggage handling system to determine problems and trends that may lead to problems.
4. Provide preventive maintenance services, clean, inspect, lubricate, adjust/track, troubleshooting and repair for all mechanical equipment, including but not limited to Conveyor belting, end rolls, drive rolls, snub rolls, take-up rolls, Conveyor drive assemblies (motors, gear boxes, drive belts, V-belts etc.), Conveyor supports (ceiling hangers, leg supports, etc.), Make-up and claim devices (flat plate and sloped pallet plate), all pushers, diverters and associated equipment that direct baggage flow.
5. Responsible for general cleanup of work areas and in/around conveyor equipment at a frequency required to maintain units free of trash, dirt and debris.

07 ELECTRICAL/CONTROLS TECHNICIAN

A. The electrical/controls technician shall be proficient with all BHS related electrical field components and have strong skills and experience in industrial controls. The electrical/controls technician shall be fully trained in preventative maintenance of the controls system and devices and in the troubleshooting and repair of electrical and controls issues.

B. The electrical/controls technician shall be able to read and modify PLC code and shall understand how to configure PLC and load programs onto the PLCs.

C. The electrical/controls technician shall be trained in the maintenance and configuration of the Automatic Tag Readers (ATR’s) and Baggage Dimensioner Devices (BDDs) and know how to replace heads and controllers for such devices.

D. The electrical/controls technician shall know how to program VFD parameters.
E. There shall be at least one (1) Lead electrical/controls technician on-site at all times. Lead technicians shall have a minimum of 5 years of experience in their field. The following list is a general outline of the job duties for the Electrical/Controls Technician(s), which is not to be construed as “all inclusive”:

1. Monitor daily operations and statistics of the baggage system to determine problem areas.
2. Trouble-shoot and repair all electrical and control components of the BHS system.
3. Analyze all data from the baggage handling system to determine problems and trends that may lead to problems.
4. Make necessary changes to the Programmable Logic Controllers, through the approved Owner System Configuration Management process, to maintain and enhance the performance of the baggage handling system.
5. Provide preventive maintenance services per manufacturer’s guidelines, clean, troubleshooting and repair for all electrical/controls equipment, including but not limited to Programmable Logic Controls, Input / output componentry, and communications hardware, Tuning and Optimizing of the Programmable Logic Controllers (PLC) Program, all Networks and Network Hardware, Motor Control Panel Componentry, Laser Scanner Arrays, Manual Encoding Consoles, Computer Peripherals including Mouse, Keyboards and Printers, DC Control Equipment, Workstations, Sortation Computers, Server Computers, Tracking Control Equipment, Graphical Status Displays and Computers, Computer Monitors, Trouble-shoot and repair all electrical faults.
6. Responsible for general cleanup of work areas and in/around equipment at a frequency required to maintain units free of trash, dirt and debris that might otherwise affect performance.

08 ATTIRE

A. Contract employees shall, at all times while on the job site, be attired in a distinctive company uniform that is acceptable to the Owner.

B. Employees shall wear uniforms consisting of shirts with sleeves and full-length trousers or coveralls. Shorts, cut-offs and the like are not acceptable. The uniform shall have the O&M Contractor’s name easily identifiable, affixed thereon in a permanent or semi-permanent manner such as a badge or monogram. Any color combination, as appropriate, may be used for the uniforms as long as they are distinct from that used by the Owner.

C. All Contract employees shall wear safety shoes and safety vest as part of the approved attire. At times, employees will be required to wear hard hats.

D. The O&M Contractor shall supply and maintain the required employee attire at no additional cost to the Owner.

09 CONDUCT

A. The O&M Contractor’s employees shall at all times while on the job site, whether on or off duty, conduct themselves in a professional, orderly and safe manner. Rudeness, fighting, being under the influence of alcohol and/or drugs or bringing and/or consuming alcohol and/or drugs, gambling, soliciting, stealing, taking pictures or bringing cameras or other photographic devices anywhere on Owner property (unless fulfilling the requirements of this Contract), and any immoral or otherwise undesirable conduct shall not be permitted on the job site and shall result in immediate and permanent removal from the job site of any employee engaging in such conduct. Denial of a badge is sufficient grounds for termination or removal.

B. The O&M Contractor agrees to promptly remove from the Airport any employee that the Owner through
written notice from the Owner advises is not satisfactory and to replace such personnel with an employee satisfactory to the Owner; but in no event shall the Owner be responsible for monitoring or assessing the suitability of any employee or agent of the O&M Contractor.
SECTION XIII - DELIVERABLES

The O&M Contractor shall be required to submit the following deliverables to the Owner for this Contract. The Section of this Statement of Work describing the required deliverables are provided with each deliverable listed below.

01    THIRTY (30) DAYS AFTER AWARD

   A. EQUIPMENT CONDITION SURVEY REPORT
   B. O&M CONTRACTORS SAFETY PLAN AND DRUG POLICY

02    FIFTEEN (15) BUSINESS DAYS PRIOR TO CONTRACT START DATE

   A. PREVENTIVE MAINTENANCE PROGRAM MODIFICATIONS
   B. NAMES & CONTACT INFORMATION OF ALL KEY PERSONNEL
   C. QUALITY CONTROL PROGRAM
   D. SAFETY AND PROTECTION PLAN
   E. MANAGEMENT PERSONNEL NOTIFICATION

03    TEN (10) DAYS AFTER CONTRACT START DATE

   A. COPY OF CONTRACT PERSONNEL SECURITY BADGES

04    DAILY

   A. SHIFT ACTIVITY NOTIFICATION
   B. EQUIPMENT STATUS NOTIFICATION

05    WEEKLY

   A. QUALITY CONTROL INSPECTION REPORT
   B. WARRANTY WORK REPORT

06    MONTHLY

   A. PM SCHEDULE DEVIATION REPORT
   B. BAGGAGE HANDLING SYSTEM REPORTS
   C. WORK ORDER STATUS REPORT
   D. STAFFING LEVELS AND ALLOCATION PLAN
   E. MAINTAINED SYSTEM DOWNTIME REPORT
   F. EQUIPMENT DATA EVALUATION AND TRENDING REPORTS
G. SPARE PARTS INVENTORY CONTROL REPORT

07 ANNUALLY
A. HAZARDOUS WASTE REPORT TO STATE

08 AS REQUIRED
A. PRODUCT MATERIAL SUBMITTALS
B. RESOURCE CONSERVATION ACT CONTINGENT PLAN
C. VANDALISM DOCUMENTATION
D. RESUMES OF ALL NEW KEY PERSONNEL
SECTION XIV - OWNER FURNISHED RESOURCES

01 ON-SITE SPACE

A. To facilitate fulfilling the requirements of this Statement of Work, the Owner will provide the O&M Contractor office, workshop and storage space(s) at the Airport. The O&M Contractor shall use the spaces provided by the Owner to fulfill the requirements of this Statement of Work. The O&M Contractor shall provide furniture as required to fulfill the requirements of this Statement of Work.

B. The O&M Contractor shall keep such areas clean and orderly at all times.

C. The O&M Contractor shall keep the on-site office door locked whenever unoccupied.

D. The O&M Contractor shall not allow persons who do not possess a current Airport security badge to remain in the on-site office unescorted.

E. The O&M Contractor shall not store any items and not conduct any business not related to the Contract in the on-site spaces.

02 OPERATIONS AND MAINTENANCE MANUALS

A. To facilitate fulfilling the requirements of this Statement of Work, the Owner will allow the O&M Contractor to use the Maintained Systems’ O&M manuals. The Maintained Systems’ O&M manuals and related documentation (i.e., As-built/record drawings and the like) shall remain on the jobsite at all times. The O&M Contractor shall utilize these manuals only for work being performed at the job site. The manuals shall be returned to the Owner at the end of the Contract period in the condition which they were received.

03 UTILITIES

A. The Owner will pay the cost of on-site utilities (electric, water, and the like) used in the operations and maintenance of the Maintained Systems as reasonable. The Owner will not compensate, or will back charge, the O&M Contractor for telephone usage fees and unreasonable utility charges.

04 WASTE REMOVAL

A. The Owner will provide for pick-up of office waste, generated in the maintenance of the Maintained Systems, excluding hazardous waste materials (e.g., batteries and the like), which shall be the responsibility of the O&M Contractor.

05 OWNER CONTACT INFORMATION

A. The Owner will provide phone numbers, e-mail and mailing addresses for the Contracting Officer, Owner and other Owner key personnel as are warranted.
SECTION XV - METHOD OF PAYMENT

The O&M Contractor shall submit an invoice on a monthly basis for services completed, to the satisfaction of the Owner, during the previous month. The Owner shall incur no obligation for out of scope work that is not authorized in advance and in writing.

These monthly invoices shall be itemized to provide a breakdown of cost for all services according to the following:

01 INITIAL STARTUP SUPPORT & BASE SERVICES

A. The Initial Start-up Support or Base Services portion of the invoice shall include all the O&M Contractor’s fixed, administrative and management cost including such items as but not limited to:

1. Contract Manager’s salary
2. Supervisor’s salary
3. Human resource management activities
4. Payroll preparation
5. Invoice preparation
6. Control room attendance
7. Jam runner staffing
8. Manual Encode station staffing
9. Spare parts administration (Includes “significant items” list to ensure that critical components are regularly checked and kept in stock)

10. Site Vehicle
11. Cleaning services
12. Coordination of 3rd party services
13. Other items for which the O&M Contractor intends to invoice under this section shall be identified in the O&M Contractor’s proposal.

This section of the invoice is expected to be the same each month except when transiting from Initial Start-up Support to Base Services.
02 FIXED UNIT PRICE BASED SERVICES

A. The ‘Fixed unit price based services’ section of the invoice shall include the total quantity of equipment by type and by subsystem under the care of the O&M Contractor together with the unit prices for the operation and maintenance of this equipment and the totals.

B. This section of the invoice is only expected to vary when additional equipment is added to the scope of the O&M Contractor or when equipment is removed from the scope of the O&M Contractor. When such changes occur, a narrative shall be provided with the invoice that explains under which agreement and on which date what quantity and types of equipment and which subsystems were added or removed from the O&M Contractor’s scope.

C. Where equipment is added or removed from the scope the monthly fixed unit price shall be prorated.

03 3rd PARTY BASED SERVICES

A. The ‘3rd Party based services’ section of the invoice shall contain line items for all 3rd party specialist service provider services.

04 SUPPLEMENTAL SERVICES

A. The invoice shall include line items for attach Owner agreed work orders for supplemental services (e.g. vandalism repair, optional add-on scope, etc).

05 DEDUCTIONS

A. The invoice shall include a deductions section where the value of the invoice is adjusted based on the achievement of the performance requirements of the BHS. The adjustment will be applied to the combined value of the ‘Base services’, ‘Fixed unit price based services’ and ‘Hourly Services’.

B. The Owner may also deduct any monies due from the O&M Contractor to the Owner from the invoices as a deduction.

C. Deduction payment factors related to performance requirements are evaluated based on a daily basis and shall then be applied on a prorated basis to that day’s portion of the month. (i.e. the specific deduction payment factor for not meeting the performance requirements for 1 day result in deductions applied to that day’s portion of the monthly invoice (i.e. 1/28th, 1/30th or 1/31st).

D. There are possible deductions for not meeting the system availability requirements, barcode read rate requirements, baggage dimensioner requirements and baggage tracking accuracy. If more than one of the performance requirements is not met for a day the deduction factor for the worst case shall be applied.

E. System Availability Performance
   1. System availability performance is graded based on two factors – i.e., critical and non-critical.
   2. The following subsystems shall be considered non-critical systems; all other subsystems shall be considered critical:
      a. IC1, IC2, IC3, TC1, TC2, CS2, TC3, OS1, 1CS, 1TC, 2TC, 3TC and 5TC.
      b. All MF Makeup Feed Lines
3. The following deduction factor shall be applied for system availability performance:
   a. For Critical Subsystems:

<table>
<thead>
<tr>
<th>Availability Payment Factor</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>99.0 - 100.0%</td>
<td>1 (No deduction)</td>
</tr>
<tr>
<td>98.9 - 98.99%</td>
<td>0.98</td>
</tr>
<tr>
<td>98.8 - 98.89%</td>
<td>0.96</td>
</tr>
<tr>
<td>98.7 - 98.79%</td>
<td>0.94</td>
</tr>
<tr>
<td>98.6 - 98.69%</td>
<td>0.92</td>
</tr>
<tr>
<td>Below 98.69%</td>
<td>0.90</td>
</tr>
</tbody>
</table>

   b. For Non-critical Subsystems:

<table>
<thead>
<tr>
<th>Availability Payment Factor</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>99.0 - 100.0%</td>
<td>1 (No deduction)</td>
</tr>
<tr>
<td>98.9 - 98.99%</td>
<td>0.99</td>
</tr>
<tr>
<td>98.8 - 98.89%</td>
<td>0.98</td>
</tr>
<tr>
<td>98.7 - 98.79%</td>
<td>0.97</td>
</tr>
<tr>
<td>98.6 - 98.69%</td>
<td>0.96</td>
</tr>
<tr>
<td>Below 98.69%</td>
<td>0.95</td>
</tr>
</tbody>
</table>

F. The following deduction factor shall be applied for baggage tracking performance:

<table>
<thead>
<tr>
<th>Tracking Payment Factor</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>99.0 - 100.0%</td>
<td>1 (No deduction)</td>
</tr>
<tr>
<td>98.9 - 98.99%</td>
<td>0.99</td>
</tr>
<tr>
<td>98.8 - 98.89%</td>
<td>0.98</td>
</tr>
<tr>
<td>98.7 - 98.79%</td>
<td>0.97</td>
</tr>
<tr>
<td>98.6 - 98.69%</td>
<td>0.96</td>
</tr>
<tr>
<td>Below 98.69%</td>
<td>0.95</td>
</tr>
</tbody>
</table>

G. The following deduction factor shall be applied for baggage dimensioner requirements and barcode read rate performance:

<table>
<thead>
<tr>
<th>Barcode Read Rate Payment Factor</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum requirement satisfied</td>
<td>1 (No deduction)</td>
</tr>
<tr>
<td>1 - 5% below minimum requirement</td>
<td>0.99</td>
</tr>
<tr>
<td>6 - 10% below minimum requirement</td>
<td>0.98</td>
</tr>
<tr>
<td>11 - 15% below minimum requirement</td>
<td>0.97</td>
</tr>
<tr>
<td>16 - 20% below minimum requirement</td>
<td>0.96</td>
</tr>
<tr>
<td>More than 21% below minimum requirement</td>
<td>0.95</td>
</tr>
</tbody>
</table>
SECTION XVI - CONTRACT PHASE OUT

01 MAINTENANCE INSPECTION

A. Beginning on or about thirty (30) business days prior to the Contract expiration/termination, the Owner and/or their technical representative will thoroughly inspect the condition of all equipment covered by this Contract to audit the level of maintenance and service work performed.

B. There shall be no outstanding corrective maintenance items and all preventive maintenance shall be up to date at the contract phase-out.

C. All deficiencies found shall be corrected by the O&M Contractor prior to the Contract expiration date. If deficiencies have not been corrected by the O&M Contractor by that date, then the Owner will have the repairs performed by another vendor and the cost to perform the repairs shall be with-held from the O&M Contractor’s last payment.

D. The O&M Contractor shall provide all necessary labor, equipment, materials and technical expertise required to assist the Owner in inspecting each Maintained System and sub-system. The O&M Contractor shall thoroughly exercise all systems and demonstrate each feature and function.

02 OWNER PROVIDED RESOURCES

A. Upon expiration/termination of the Contract, the O&M Contractor shall return to the Owner, in good condition, all Owner provided resources, computer hardware, communication devices, documentation, drawings, System O&M Manuals, and the like loaned by the Owner, according to an inventory of Owner provided equipment required under the Contract.

03 SECURITY DEVICES

A. Upon expiration/termination of the Contract or discontinuance of employment of any of O&M Contractor personnel working in the Airport, all airport keys, security badging and all other Owner identification shall be surrendered to the Owner.

04 RECORDS AND DOCUMENTATION

A. Upon Contract termination or the end of the Contract period all records and documentation, including, but not limited to, As-built/Record drawings, System O&M Manuals, Preventive Maintenance Schedules, Preventive Maintenance Records, CMMS Information, Equipment History Data and the like shall remain the sole property of the Owner. All records shall be accurately kept and updated to the last day of the Contract.
SECTION XVII - APPENDICES
APPENDIX “A”

SITE PLAN
APPENDIX “B”

SCOPE OF WORK
BHS/CBIS DRAWINGS

<table>
<thead>
<tr>
<th>Sheet Number</th>
<th>Drawing Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>B101</td>
<td>BHS - East</td>
</tr>
<tr>
<td>B102</td>
<td>BHS - West</td>
</tr>
</tbody>
</table>
## APPENDIX “C”

### CONTRACT SERVICE CALL ORDER

<table>
<thead>
<tr>
<th>Date:</th>
<th>Request by:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Reason for service:**  
__________________________

**Priority:**  
Low / High / Urgent

**Lead time for parts:**  
__________

**Work scheduled for:**  
Date ____________  
Time ____________

**Description of services requested:**

**Interruption to BHS and/or Airline operation (if any):**

### Cost estimate

<table>
<thead>
<tr>
<th>Labor (hours x hourly rate in contract)</th>
<th>$</th>
</tr>
</thead>
</table>

**Parts and Material:**

| 1. | $ |
| 2. | $ |
| 3. | $ |
| 4. | $ |
| 5. | $ |

**Total Estimated Cost:**  
$  

*Below section to be completed by the Owner*

<table>
<thead>
<tr>
<th>Request:</th>
<th>Approved / Declined</th>
<th>Reason:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>By:</th>
<th>Date:</th>
</tr>
</thead>
<tbody>
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<td></td>
</tr>
</tbody>
</table>
APPENDIX “D”

DORMANT AND OUT OF SCOPE BHS EQUIPMENT

A. At this time there is no ‘Out-of-Scope’ equipment defined. All Outbound BHS equipment shall be covered under this SOW.

B. At this time there is no ‘Dormant’ equipment defined. Should the Owner direct the O&M Contractor to treat certain equipment as dormant the preventive maintenance requirements as defined in Appendix “E” shall be followed.
APPENDIX “E”

PREVENTIVE MAINTENANCE REQUIREMENTS FOR DORMANT BHS EQUIPMENT

A. The Inspection and Preventive Maintenance Program for dormant equipment may be reduced (i.e. increased intervals) from the maintained systems Operations and Maintenance Manual Requirements.

B. Each dormant subsystem shall be operated for 1 (minimum) continuous hour each month. During this time the subsystem components should be checked for belt tracking and belt tightness and a general visual inspection shall be performed on the subsystem.

C. All other inspections and Preventive Maintenance task intervals indicated in the respective equipment’s operations and maintenance manuals that are less than 1 year may be increased to 1 year for dormant equipment. All tasks with intervals higher than 1 year (e.g. bi-annually) shall be performed as scheduled.
APPENDIX “F”

CLT OPERATION PEAK PERIODS

1. Peak period shall mean all days of the week, 24 hours per day.
EXHIBIT B

FORM BHS O&M CONTRACT

**To be provided by addendum.
FORM #3: Subcontractor / Supplier Utilization Commitment

This form MUST be submitted with Proposal/Bid

Copy this Form 3 as needed, to document additional SBE commitments. Indicate page number range above.

Form #3 captures information regarding the SBEs and other subcontractors and suppliers that the Proposer/Bidder intends to use on the Contract.

Failure to properly complete and submit Form 3 with the Proposal/Bid constitutes grounds for rejection of the Proposal/Bid

<table>
<thead>
<tr>
<th>Proposer/Bidder Name:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract Name:</td>
<td></td>
</tr>
<tr>
<td>Contract Number:</td>
<td>Established SBE Goal: Will be negotiated</td>
</tr>
</tbody>
</table>

1. List below all SBEs that you intend to use on this contract

<table>
<thead>
<tr>
<th>SBE Vendor Name</th>
<th>Description of work / materials</th>
<th>NIGP Commodity Code</th>
<th>VMS (Vendor) #</th>
<th>Total Projected Utilization ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
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<td></td>
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<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td></td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
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</tbody>
</table>

NOTE: You will only receive credit for SBEs who have an active Certification with the City, as of the Contract Award Date.

Letters of Intent submitted upon notice from the City

Within three (3) Business Days after receiving a request from the City (or within such longer time as may be communicated by the City in writing), Proposers/Bidders must submit a separate Letter of Intent (SBOP Form 4) for each SBE listed on SBOP Form 3. Each Letter of Intent must be executed by both the SBE and the Proposer/Bidder. The City shall not count proposed SBE utilization for which it has not received a Letter of Intent by this deadline unless the SBE certifies to the City that it originally agreed to participate in the Contract at the level reported by the Bidder, but subsequently declined to do so.

Adding subcontractors or suppliers after submitting this form

Nothing in this certification shall be deemed to preclude you from entering into subcontracting arrangements after submission of this form.

All Subcontractors and Suppliers must be registered with the City of Charlotte.

Pursuant to the City’s Vendor Registration Policy, each subcontractor or supplier (non-SBE and SBEs) that you use on this contract must be registered in the City’s vendor management system (VMS) database, indicated by a VMS Number. You will need to provide the VMS # for each subcontractor or supplier used on this contract as a
condition for receiving final payment on this Contract.

Signature
Your signature below indicates that the undersigned Company certifies and agrees that:
(a) It has complied with all provisions of the Charlotte Business Inclusion Program;
(b) Failure to properly document such compliance in the manner and within the time periods established by the Charlotte Business Inclusion Program shall constitute a forfeiture of the Company’s bid bond, and shall entitle the City to recover under the bid bond; and
(c) In the absence of a bid bond, such failure shall entitle the City to recover damages for breach of contract.

Signature of Authorized Official  Printed Name  Title  Submittal Date