

***SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY***

**A G E N D A**

**REGULAR MEETING**

**To Be Held at 3:00 PM**

**DECEMBER 19, 2013**

**1234 Market Street, Mezzanine Level  
Philadelphia, PA**

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1. Approval of Minutes of the Regular Board Meeting of November 21, 2013
2. Financial Report
3. Resolutions
- I. Pension Committee Review**
  - A. Appointment of EJP Capital, LLC as Investment Manager
- II. Budget, Planning & Information Technology Committee Review**
  - A. Adoption of the Operating Budget for Fiscal Year 2014 and Fiscal Years 2015-2019 Financial Projections
- III. Administration Committee Review**
  - A. Purchase from AIG and C. V. Starr & Co., Inc. of Directors and Officers Liability Insurance
  - B. Consultant Amendments
- IV. Operations Committee Review**
  - A. Items for Consideration
    1. Fifth Amendment to Lease Agreement by Alliance HSP Station Park, LP, for Parking Spaces that are Located Near Hatboro Railroad Station
    2. Lease by Preit-Rubin, Inc., Regarding Use of the Stairway/Passageway Connecting the Street and Concourse Level at 8<sup>th</sup> Street Station

**Agenda**  
**December 19, 2013**

3. First Amendment to Lease Agreement to Montgomery County of an Additional 3.47 Miles of the Out-of-Service Part of the Newtown Branch for Extending the Existing Pennypack Recreational Trail
    - B. Various Procurements
    - C. Sole Source Procurements
    - D. Amendment
  4. Report of General Manager
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R E S O L U T I O N

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APPOINTMENT OF EJF CAPITAL, LLC  
AS INVESTMENT MANAGER

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WHEREAS, on February 24, 2011 the Pension Committee of the Board revised the Statement of Investment Policy and Objectives and Operating Guidelines ("Policy Statement") which governs the investment of the funds of the pension plans of SEPTA; and

WHEREAS, the Policy Statement places Alternative Assets within the permissible investment classes; and

WHEREAS, at the request of the Pension Committee, at the October 24, 2013 Pension Committee Meeting, SEPTA's pension consultant, PFM Advisors, provided the Pension Committee with an analysis of credit-based alternative asset investment strategies and reviewed the performance, risks and correlation data for several qualified investment managers, and;

WHEREAS, as a result of said review of performance, risks, investment style and portfolio characteristics of these firms, the Pension Committee agreed to interview two investment managers; and

WHEREAS, at the meeting that was held on November 21, 2013, representatives of the two investment managers made presentations to the Pension Committee, and responded to questions from Pension Committee members and PFM Advisors; and

WHEREAS, as a result of said presentations, interviews and discussions, the Pension Committee recommended that SEPTA appoint EJV Capital, LLC as an investment manager with respect to the investment of SEPTA's pension funds with the initial timing and funding to be determined by the Pension Committee.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby designates and appoints EJV Capital, LLC as a manager with respect to the investment of SEPTA's pension funds, and authorizes the proper officers of SEPTA (i) to execute and deliver all documents, in form approved by the Office of General Counsel, that will enable SEPTA to enter into an investment management agreement with EJV Capital, LLC consistent with this Resolution; (ii) to take such action necessary to transfer such amounts of funding to EJV Capital, LLC as deemed appropriate by the Pension Committee; and (iii) to do any and all other things that will be necessary in order to effectuate this Resolution.

R E S O L U T I O N

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ADOPTION OF THE OPERATING BUDGET FOR FISCAL YEAR 2014  
AND FISCAL YEARS 2015-2019 FINANCIAL PROJECTIONS

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WHEREAS, SEPTA's enabling act at 74 Pa.C.S. § 1751(a) requires the Board to adopt an operating budget prior to the beginning of each fiscal year and authorizes the Board to "establish such rules as are necessary for proper observance" of such budget; and

WHEREAS, the Public Transportation Law requires the Board to adopt by June 30 annually a series of Operating Goals and Performance Evaluation Measures; and

WHEREAS, the Public Transportation Law also requires the Board to adopt a resolution that authorizes the filing of an application for a state grant; and

WHEREAS, on March 15, 2013 the General Manager originally filed with the Board the tentative Operating Budget Proposal for Fiscal Year 2014 at an authorized spending level of \$1.321 billion, including a \$38 million funding shortfall, which was

deferred by the Board on May 23, 2013, pending further state legislative funding discussions in Harrisburg; and

WHEREAS, on June 27, 2013 the Board approved an operating expense plan for July 2013 in the amount of \$97.2 million in order to allow the state legislature to discuss adoption of a new state transportation funding plan; and

WHEREAS, as a result of the Pennsylvania General Assembly recessing on June 30, 2013 until the fall with no resolution to the transportation funding issue, on July 25, 2013 the Board approved a six-month operating expense plan for July 2013 - December 2013 in the amount of \$639.7 million; and

WHEREAS, over the first six months of the fiscal year, SEPTA staff has tightly controlled expenditures until such time that an annual operating budget could be adopted, and developed a plan to address the original budget shortfall of \$38 million and balance the Fiscal Year 2014 Operating Budget via expense reductions which include decreases in labor, medical and prescription drug cost, injuries and damages, propulsion power, diesel fuel and depreciation; and

THE FINAL OPERATING BUDGET

WHEREAS, the proposed final Fiscal Year 2014 Operating Budget sets an authorized spending level of \$1.283 billion as set forth in the pertinent staff summary; and

PUBLIC HEARING

WHEREAS, pursuant to applicable law and the rules and regulations that became effective on March 1, 2010, the Chairman appointed the Joseph M. O'Malley, Esquire as Hearing Examiner to conduct a public hearing with respect to the tentative Operating Budget for Fiscal Year 2014 and certain proposed supplements to tariffs; and

WHEREAS, after appropriate publication and posting the Hearing Examiner presided over a public hearing, the sessions of which were held on April 15, 16, 17, 19 and 22, 2013 at convenient and accessible locations in Bucks, Chester, Delaware, Montgomery and Philadelphia Counties; and

WHEREAS, persons who desired to do so were given the opportunity to appear at the sessions of the public hearing to present testimony, to introduce material and to ask questions of SEPTA's representatives; and

WHEREAS, based on the testimony, evidence and exhibits presented at the public hearings or otherwise entered into the

record, on May 2, 2013 the Hearing Examiner presented to the Board a Report and Recommendation; and

WHEREAS, the Hearing Examiner recommended that the Board adopt the tentative Fiscal Year 2014 Operating Budget and the Fiscal Years 2015-2019 Financial Projections; and

#### USES OF STATE FUNDS

WHEREAS, SEPTA will apply the financial assistance obtained through Act 44 of 2007 and local matches to SEPTA's projected operating expenses; and

WHEREAS, SEPTA recognizes that financial assistance obtained through Act 44 of 2007 and local matches (i) may only be applied to operating expenses, (ii) are ineligible for use in asset or capital improvement projects and (iii) if not used in Fiscal Year 2014 will be retained and used for only operating assistance in a subsequent fiscal year; and

#### RECOMMENDATION OF MANAGEMENT

WHEREAS, staff requested that the General Manager recommend that the Board (i) adopt the tentative Operating Budget for Fiscal Year 2014, at an expense level of \$1.283 billion, and (ii) adopt the Fiscal Years 2015-2019 Financial Projections; and

WHEREAS, the General Manager made the recommendation to the Board.



NOW, THEREFORE, BE IT RESOLVED, that upon consideration of the testimony taken and evidence presented at the public hearing or otherwise entered into the record, the Report and Recommendation of the Hearing Examiner and the arguments and/or other material presented at this public meeting, the Board hereby adopts (i) the Fiscal Year 2014 Operating Budget authorizing expenditures of \$1.283 billion during Fiscal Year 2014; and (ii) the Fiscal Years 2015-2019 Financial Projections.

FURTHER RESOLVED, that the Board hereby designates the General Manager the Authorized Official ("AO") of SEPTA and authorizes the General Manager as Authorized Official to execute and file electronically via "dotGrants" with the Department of Transportation of the Commonwealth of Pennsylvania ("PennDOT"), on behalf of the Board, a consolidated operating application ("COA") in which SEPTA requests grant funding for Fiscal Year 2014 under § 1513 of Act 44 of 2007.

FURTHER RESOLVED, that pursuant to guidelines ("Guidelines") that PennDOT issued and imposed upon SEPTA, the Board:

(i) adopts Attachment A of this Resolution, namely the list that management issued in conformity with the Guidelines, said list identifies each submission that SEPTA

may be required to make to PennDOT and the corresponding senior management position or positions whose duties and responsibilities make the holder of the senior management position or positions competent to make submissions (and modify submissions) to PennDOT; and

(ii) Authorize the people who hold the positions identified on the list to file and execute electronically via "dotGrants" to PennDOT as are set forth on the list (Attachment A).

FURTHER RESOLVED, that SEPTA expects to receive \$70,301 under § 1513 of Act 44 of 2007 and SEPTA must disburse that payment to five sub-grantees that provide to senior citizens free transit service within SEPTA's service area.

FURTHER RESOLVED, that SEPTA expects to receive no less than 15% in local matching funds no later than June 30, 2014 for Fiscal Year 2014 as § 1513 of Act 44 of 2007 requires.

FURTHER RESOLVED, that based upon (i) the representation and reasonable belief of the management of SEPTA, (ii) the understanding that the Board has no authority over any entity other than SEPTA, and (iii) the historical commitments of local funding, the Board hereby certifies in good faith that the Counties of Bucks, Chester, Delaware, Montgomery and

Philadelphia and other appropriate local sources will provide sufficient funds in Fiscal Year 2014 and that said funds will match the financial assistance for operating expenses that SEPTA will receive under Act 44 of 2007.

FURTHER RESOLVED, that the Board hereby authorizes the proper officers of SEPTA to execute all documents, in form approved by the Office of General Counsel, and to do any and all other things as shall be necessary and proper in order to effectuate the purpose of this Resolution.

**ATTACHMENT A**

**SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY EMPLOYEES AUTHORIZED TO SUBMIT AND MODIFY  
THE PENNSYLVANIA DEPARTMENT OF TRANSPORTATION'S DOTGRANTS OBJECTS**

	Registration - Organization Core Info	Grant Applications	Projected Legacy Budget	Unaudited Actual Legacy Budget	Audited Actual Legacy Budget*	Grant Agreement Execution	Invoices	Progress Reports
<b>Authorized to Submit &amp; Modify</b>								
Position Title:	General Manager	General Manager	General Manager	General Manager	General Manager	Chairman of SEPTA Board	General Manager	General Manager
Position Title:	Chief Financial Officer / Treasurer	Chief Financial Officer / Treasurer	Chief Financial Officer / Treasurer	Chief Financial Officer / Treasurer		General Manager	Chief Financial Officer / Treasurer	Chief Financial Officer / Treasurer
Position Title:	Director, Operating Budgets	Director, Operating Budgets	Director, Operating Budgets	Director, General Accounting Manager,		Chief Financial Officer / Treasurer	Director, Admin. & Financa (CCT)	Director, General Accounting
Position Title:	Director, Capital Budgets	Director, Capital Budgets	Manager, Rev. Acctg. Oper. Grants & F.A.	General Accounting Manager,			Manager, Cash Mgt., Accts. Pay. & Billings	Director, Operating Budgets
Position Title:	Director, Admin. & Finance (CCT)	Manager, Rev. Acctg. Oper. Grants & F.A.	Senior Accountant	Manager, Rev. Acctg. Oper. Grants & F.A.			Manager, Financial Audit (CCT)	Director, Capital Budgets
Position Title:	Director, General Accounting	Manager, Capital Grant Development					Supervisor, Billings	Manager, Gen. Accounting
Position Title:	Manager, General Accounting	Manager, Capital Budgets					Senior Accountant	Manager, Rev. Acctg. Oper. Grants & F.A.
Position Title:	Manager, Rev. Acctg. Oper. Grants & F.A.	Senior Accountant					Accountant	Manager, Capital Grant Development
Position Title:	Manager, Cash Mgt., Accts. Pay. & Billings							Manager, Capital Budgets
Position Title:	Manager, Capital Grant Development							
Position Title:	Manager, Capital Budgets							
Position Title:	Manager, Financial Audit (CCT)							
Position Title:	Supervisor, Billings							
Position Title:	Senior Accountant							
Position Title:								

\* PennDOT requires the Audited Actual Legacy Budget to be submitted by the chief operating officer (such as Executive Director, General Manager, etc.).

R E S O L U T I O N

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PURCHASE FROM  
AIG AND C. V. STARR & CO., INC.  
OF DIRECTORS AND OFFICERS LIABILITY INSURANCE

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WHEREAS, SEPTA's current directors and officers liability insurance policies with AIG/Chartis and C. V. Starr & Co., Inc. ("Starr") will expire on December 31, 2013; and

WHEREAS, one of the insurance policies is a primary layer of \$10 million which covers director and officers and the entity, SEPTA, with SEPTA entity coverage subject to \$5 million sublimit; and

WHEREAS, the other insurance policy is an excess layer of \$10 million which covers directors and officers; and

WHEREAS, the reason for the dual layer insurance program is to insure that the cover afforded to directors, officers and assistant general managers remains undiluted by any claims brought against them individually and against SEPTA; and

WHEREAS, both layers provide coverage for wrongful acts, errors and omissions that could result from any matter claimed

against directors, officers and assistant general managers solely due to their status or due to their official acts; and

WHEREAS, the Risk Management Advisory Committee ("RMAC") solicited insurance proposals for the same policy terms and conditions as those that are included in the expiring program; and

WHEREAS, AIG ("AIG") and Starr quoted the same terms, conditions and premium rates as the expiring program, as well as certain enhancements as set forth in the pertinent staff summary; and

WHEREAS, staff, with the concurrence of the RMAC, requested that the General Manager recommend that the Board authorize SEPTA to purchase (1) from AIG a primary layer of \$10 million with a self-insured retention of \$200,000 except for employment practices liability (which will have a \$500,000 self-insured retention) and (2) from Starr an excess layer of \$10 million; and

WHEREAS, the General Manager made the recommendation to the Board.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes SEPTA to purchase (1) from AIG a primary layer of

directors and officers liability insurance in the amount of \$10 million and (2) from C. V. Starr & Co., Inc. an excess layer of directors and officers liability insurance in the amount of \$10 million, for one-year terms effective December 31, 2013, both of which will be under the terms and conditions set forth in the pertinent staff summary.

FURTHER RESOLVED, that the total annual prepaid premiums for the policies with AIG and C. V. Starr & Co., Inc. will not exceed \$206,458 and \$72,500, respectively, along with a \$600 policy fee, for a total combined annual premium of \$279,558.

FURTHER RESOLVED, that the Board hereby authorizes the General Manager or his designee and other appropriate officers to execute all documents, in form approved by the Office of General Counsel, and to do any and all other things as shall be necessary and proper in order to effectuate the purpose of this Resolution.

R E S O L U T I O N

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AUTHORIZATION TO EXECUTE CONSULTANT AMENDMENTS

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WHEREAS, additional work is required to complete the projects identified below; and

WHEREAS, staff reviewed the additional work and the General Manager recommended that the Board authorize SEPTA to enter into the amendments for the additional work.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes SEPTA to award and the General Manager or his designee to execute the consultant amendments identified below in form approved by the Office of General Counsel, subject to the concurrence of the funding agencies, if required, and to any applicable Disadvantaged Business Enterprise requirements:

1. To STV, Incorporated, for Amendment No. 7, which provides for a 12-month no cost time extension to the existing consultant support services contract for the Silverliner V Procurement, thereby establishing a new contract completion date of December 31, 2014, with the total contract price, including



all amendments to date, remaining at an amount not to exceed \$11,363,153.

2. To HNTB Corporation, at an increase in cost not to exceed \$4,000,000, bringing the total contract price to an amount not to exceed \$8,000,000; to Gannett Fleming, Inc., at an increase in cost not to exceed \$2,000,000, bringing the total contract price to an amount not to exceed \$6,000,000; to Burns Engineering, at an increase in cost not to exceed \$2,000,000, bringing the total contract price to an amount not to exceed \$6,000,000; and to Pennoni Associates, at an increase in cost not to exceed \$2,000,000, bringing the total contract price to an amount not to exceed \$6,000,000, for Amendment No. 1 for each of the foregoing contracts, which will facilitate the fast tracking of the SEPTA/CSX West Trenton Separation Project and a number of other current design projects into their construction phases.

3. To U. S. Equities Asset Management LLC, for Amendment No. 2, which provides for up to a three month time extension on SEPTA's current contract for property management and leasing services for SEPTA's Headquarters Building at 1234 Market Street, thereby establishing a new contract completion date of

March 31, 2014, exercisable in 30-day increments at the sole discretion of SEPTA, at an increase in cost not to exceed \$86,007, bringing the total contract price, including all amendments to date, to an amount not to exceed \$3,115,155.

R E S O L U T I O N

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FIFTH AMENDMENT TO LEASE AGREEMENT BY  
ALLIANCE HSP STATION PARK, LP  
TO SEPTA FOR PARKING SPACES THAT ARE  
LOCATED NEAR HATBORO RAILROAD STATION

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WHEREAS, Alliance HSP Station Park, LP ("Alliance") owns and controls a parking lot situated at 330-339 South Warminster Road in the Borough of Hatboro, Montgomery County, which is in the vicinity of SEPTA's Hatboro Railroad Station ("Station") on the Warminster Line; and

WHEREAS, on November 30, 2010, SEPTA entered into a Lease Agreement with 330 S. Warminster Road Associates, LP, predecessor in interest to Alliance, whereby SEPTA has continuously leased 75 spaces within the parking lot for additional parking for SEPTA's passengers using the Station, as well as shortfall spillover from Warminster Station("Lease Agreement"); and

WHEREAS, the Lease Agreement, as previously amended, will expire on December 31, 2013; and

WHEREAS, Alliance has proposed to enter into a Fifth Amendment of the Lease Agreement which will provide for an additional term of

five years commencing January 1, 2014, at an initial annual rental of \$9,888 (\$824 per month), with annual increases thereafter of three percent (3%); and

WHEREAS, staff requested that the General Manager recommend that the Board authorize SEPTA to enter into the Fifth Amendment to the Lease Agreement with Alliance under the terms that are set forth above and more fully described in the pertinent staff summary; and

WHEREAS, the General Manager made the recommendation to the Board.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes SEPTA to enter into the Fifth Amendment to the Lease Agreement with Alliance HSP Station Park, LP for 75 parking spaces to facilitate parking requirements at Hatboro Railroad Station, under the terms that are set forth in the pertinent staff summary.

FURTHER RESOLVED, that the Board hereby authorizes the General Manager or his designee to execute all documents, in form approved by the Office of General Counsel, and to do any and all other things as shall be deemed necessary and proper in order to effectuate the purpose of this Resolution.

R E S O L U T I O N

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LEASE BY PREIT-RUBIN, INC. TO SEPTA  
REGARDING USE OF THE STAIRWAY/PASSAGEWAY CONNECTING  
THE STREET AND CONCOURSE LEVEL AT 8<sup>TH</sup> STREET STATION

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WHEREAS, PREIT-RUBIN, Inc. ("PREIT"), successor to Strawbridge & Clothier, owns part of the real estate known as Strawbridge & Clothier Store located at 801-831 Market Street, Philadelphia, Pennsylvania; and

WHEREAS, on October 30, 1934, the mayor of City of Philadelphia approved an ordinance which was adopted by the City Council authorizing the City to enter into an agreement allowing Strawbridge & Clothier to construct stairways and passageways providing access between the sidewalk and the 8<sup>th</sup> Street Market-Frankford Subway Elevated (MFSE) Station concourse; and

WHEREAS, the Ordinance also provided that after the expiration of 50 years, Strawbridge & Clothier (or its successor) could remove the stairway and passageway; and

WHEREAS, Strawbridge & Clothier constructed one stairway and passageway at the west side of North 8<sup>th</sup> Street; and

WHEREAS, SEPTA recently began discussions with PREIT to assure continued public ingress to and egress from the MFSE, the Broad Street Spur Line and the PATCO High Speed Line via the subject stairway and passageway ("Demised Premises"); and

WHEREAS, since that time PREIT has continued to allow public ingress and egress to the stairway and passageway while the parties have negotiated a long-term lease of the Demised Premises; and

WHEREAS, the term of the lease is for a period of ten years from February 1, 2014 to January 31, 2024 along with two consecutive options, the first being for ten years and the second being for nine years and eleven months, to renew the lease agreement under such terms and conditions as set forth in the pertinent staff summary; and

WHEREAS, staff requested that the General Manager recommend that the Board authorize SEPTA to enter into the lease agreement with PREIT under the terms that are set forth in the proposed lease agreement and pertinent staff summary; and

WHEREAS, the General Manager made the recommendation to the Board.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes SEPTA to lease from PREIT-RUBIN, Inc. the Demised Premises that are identified in the proposed lease agreement and the pertinent staff summary and under the terms that are set forth in the proposed lease agreement and pertinent staff summary.

FURTHER RESOLVED, that the Board hereby authorizes the General Manager or his designee to execute all documents, in form approved by the Office of General Counsel, and to do any and all other things as shall be deemed necessary and proper in order to effectuate the purpose of this Resolution.

R E S O L U T I O N

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FIRST AMENDMENT TO LEASE AGREEMENT BY SEPTA TO  
MONTGOMERY COUNTY OF AN ADDITIONAL 3.47 MILES  
OF THE OUT-OF-SERVICE PART OF THE NEWTOWN BRANCH FOR  
EXTENDING THE EXISTING PENNYPACK RECREATIONAL TRAIL

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WHEREAS, SEPTA owns the railroad right-of-way that is collectively named the Fox Chase/Newtown Branch ("Newtown Branch") (Line Code No. 0325); and

WHEREAS, at present on the Newtown Branch commuter rail service terminates at Fox Chase Passenger Station and north of Fox Chase Passenger Station the right-of-way is out-of-service; and

WHEREAS, by authorization of the Board on March 27, 2008, SEPTA entered into a Lease Agreement ("Lease") with the County of Montgomery ("County") for nominal consideration whereby SEPTA leases to the County about 2.4 miles of the surface of the Newtown Branch starting at Mile Post 11.49 on the border of the Borough of Rockledge, then through Lorimer Park in Abington Township up to the southern bank of the Pennypack Creek at Mile Post 14.03 in Lower Moreland Township just south of the



intersection with the right-of-way of SEPTA's West Trenton Rail Line ("Premises"), for use as an interim trail for recreational purposes such as, but not limited to, bicycling, walking, jogging, rollerblading and cross country skiing by the general public ("Pennypack Trail"); and

WHEREAS, the proposed first amendment ("First Amendment") would expand the Premises via extending the northern boundary of the Pennypack Trail (by some 3.97 miles) up to Milepost 17.94, a point on the railroad right-of-way of the Newtown Branch just south of County Line Road; and

WHEREAS, as with the existing Pennypack Trail, with respect to the proposed extension of the Premises between Milepost 14.03 and Milepost 17.94, County intends to construct and maintain thereon an interim trail for the same recreational purposes as stated above; and

WHEREAS, as part of the proposed extension of the Pennypack Trail, County has agreed, at its sole expense, to rehabilitate and/or improve, if necessary, several existing bridges ("Bridges") crossing over either the Pennypack

Creek or other streams/creeks, and thereafter inspect, maintain and improve said Bridges as may be required, during the term of the Lease; and

WHEREAS, in addition to the foregoing, SEPTA and the County have agreed that automated crossing safety protection devices must be installed (and thereafter maintained) by SEPTA at the intersection of the Pennypack Trail with SEPTA's active West Trenton Rail line at or near Mile Post 14.05 of the Newtown Branch, in return for which the County shall remit to SEPTA the estimated amount of \$939,605; and

WHEREAS, SEPTA and the County have also agreed upon the responsibilities and allocation of proceeds with respect to salvage operations for all rail material, including steel rail and other appurtenances being removed from the right-of-way of the Newtown Branch to accommodate the expansion of the Premises; and

WHEREAS, County further desires to extend the term of the Lease via the First Amendment to coincide with the extension of the Pennypack Trail as contemplated hereunder; and

WHEREAS, the Engineering, Maintenance and Construction Division had no objection to either the proposed improvements or

the County's interim use of the additional segment of the right-of-way as a recreational trail; and

WHEREAS, staff requested that the General Manager recommend that the Board authorize SEPTA to enter into the proposed First Amendment to the Lease with the County; and

WHEREAS, the General Manager made the recommendation.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes SEPTA to enter into the First Amendment to the Lease Agreement with the County of Montgomery to extend the Premises under the terms set forth above and within the pertinent staff summary.

FURTHER RESOLVED, that the Board hereby authorizes the General Manager to execute all documents, in form approved by the Office of General Counsel, and to do any and all other things as shall be deemed necessary and proper in order to effectuate the purpose of this Resolution.

R E S O L U T I O N

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AUTHORIZATION TO AWARD CONTRACTS FOR VARIOUS PROCUREMENTS

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WHEREAS, SEPTA advertised and invited bids for the supplies identified below; and

WHEREAS, the firms listed below were the lowest responsive and responsible bidders to the invitation for bids; and

WHEREAS, staff requested that the General Manager recommend that the Board authorize SEPTA to award the contracts identified below; and

WHEREAS, the General Manager made the recommendation to the Board.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes SEPTA to award and for the General Manager or his designee to execute the contracts identified below in form approved by the Office of General Counsel, subject to and contingent upon the concurrence of the funding agencies, if required, and contingent upon and subject to the vendors satisfactorily meeting all requirements of the bid terms and

specifications, including full compliance with any applicable Disadvantaged Business Enterprise requirements:

1. To PPG Industries, Inc., for the purchase of various paints to be used by maintenance personnel for the exterior of SEPTA's fleet of buses, utility vehicles and painted railcars, with delivery of material on an "as required" basis over a period of three years commencing in January 2014, as described in the staff summary on this subject, for a total contract amount not to exceed \$576,260.86, Sealed Bid No.13-113-TJM - Various Paints.

2. To WABTEC Railway Electronics, Division of Westinghouse Air Brake and Technologies Corporation, for the installation of a new Automatic Train Control (ATC) System on the Cynwyd Line as a precursor to the future installation of the federally mandated Positive Train Control (PTC) System, with delivery of the material scheduled for November 30, 2014, as described in the staff summary on this subject, for a total contract amount not to exceed \$2,576,930, Sealed Bid No. 13-065-KAJ - Cynwyd Line Automatic Train Control.

R E S O L U T I O N

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AWARD OF VARIOUS CONTRACTS FOR SOLE SOURCE PROCUREMENTS

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WHEREAS, SEPTA has need for the supplies and services described below and those supplies and services are available only from the firms listed below; and

WHEREAS, staff reviewed the cost of the supplies and services and the General Manager recommended that the Board authorize SEPTA to award the contracts.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes SEPTA to award and the General Manager or his designee to execute the contracts identified below, all in form approved by the Office of General Counsel, subject to the concurrence of the funding agencies, if required, and contingent upon and subject to each vendor/contractor satisfactorily providing any required bonds, insurance certificates and/or other documents, and complying with any applicable Disadvantaged Business Enterprise requirements:

1. To Lubrite Technologies, LLC, for the purchase of 300 side bearing pads to be used for inventory replenishment and subsequent utilization during routine maintenance on B-IV car truck bolsters, at a unit price of \$283, with delivery of materials scheduled in April 2014, as described in the staff summary on this subject, for a total contract amount not to exceed \$57,600.

2. To Transtechnik Corp. USA, for Items Nos. 1 and 2, for the purchase of five each AC double-ended blower motor housing assemblies to be used in the in-house rebuild/repair of Silverliner IV cars, at unit prices of \$3,210.61 and \$3,044.93, respectively, with delivery of material scheduled to commence in February 2014, as described in the staff summary on this subject, for a total contract amount not to exceed \$31,277.70.

3. To Ellcon National, Inc., for the purchase of various replacement parts to be used on the Vehicle Overhaul (VOH) Program for the Bombardier Push/Pull car fleet and brake actuators for the LRV car fleet, with delivery of material on an "as required" basis over a period of three years commencing in January 2014, and with authorization to SEPTA staff to extend the contract for a six (6) month period at no increase in cost, as

described in the staff summary on this subject, for a total contract amount not to exceed \$2,370,346.

4. To Hanning & Kahl LP, for the purchase of an estimated 210 current collector heads to replenish inventory levels needed for the general maintenance of the New Flyer trackless trolley fleet, at a unit price of \$412, with delivery of material on an "as required" basis over a period of two years commencing in February 2014, and with authorization to SEPTA staff to extend the contract for a six (6) month period at no increase in cost, as described in the staff summary on this subject, for a total contract amount not to exceed \$86,520.

5. To Northrop Grumman Systems Corporation, for the provision of maintenance services of the software for SEPTA's Command Point Computer Aided Dispatch (CAD) System, with services to be performed over a period of three years retroactive from August 21, 2013 through August 21, 2016, as described in the staff summary on this subject, for a total contract amount not to exceed \$304,680.



R E S O L U T I O N

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AUTHORIZATION TO EXECUTE AN AMENDMENT

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WHEREAS, additional work is required to complete the projects identified below; and

WHEREAS, staff reviewed the cost of the additional work and the General Manager recommended that the Board authorize SEPTA to order the additional work.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes SEPTA to award and the General Manager or his designee to execute the change order identified below in form approved by the Office of General Counsel, subject to the concurrence of the funding agencies, if required, and to any applicable Disadvantaged Business Enterprise requirements:

1. To Neopart LLC, at a decrease in cost not to exceed \$352,000, reducing the total contract price to an amount not to exceed \$11,882,020; to Interline Brands, Inc. d/b/a AmSan, at an increase in cost not to exceed \$296,000, bringing the total contract price to an amount not to exceed \$2,503,218; and to R.

W. Mallon, at an increase in cost not to exceed \$56,000, bringing the total contract price to an amount not to exceed \$2,844,396, for Amendment No. 2 for each of the foregoing contracts, which also provides for a six-month time extension of the Vendor Managed Inventory Professional Services Contract, thereby establishing new contract completion dates of June 30, 2014.