AGENDA

REGULAR MEETING

To Be Held at 3:00 PM

JULY 25, 2013

1234 Market Street, Mezzanine Level

Philadelphia, PA

1. Approval of Minutes of the Regular Board Meeting of June 27, 2013

2. Financial Report

3. Resolutions

I. Election Not to Hold a Regular Meeting of the Board in the Month of August 2013 and Cancellation of the Regular and Special Meetings for the Board Scheduled For August 22, 2013

II. Pension Committee Review

A. Appointment of UBS Financial Services, Inc., as Investment Manager and Termination of Investment Management Agreement with Barclays Wealth Management

III. Budget, Planning & Information Technology Committee Review

A. Authorization to Approve and Adopt a Six-Month Operating Expense Plan through December 28, 2013 (Fiscal December 2013)

B. The Capital Budget for Fiscal Year 2014, the Twelve-Year Capital Program and Comprehensive Plan, and the Commitment of Local Funds for Fiscal Year 2014 Act 44 Capital Projects

IV. Administration Committee Review

A. Authorization to Renew Purchase of Stop Loss Insurance for Medical and Prescription Drug Benefits

B. Consulting Services Contracts

C. Consultant Amendment
V. **Operations Committee Review**

A. **Items for Consideration**

1. Lease by Eugenia Corporation, LLC of 77 Parking Spaces Located Near Bryn Mawr Passenger Station in Montgomery County, Pennsylvania

2. Sale of Two Parcels and Grant of Three Temporary Construction Easements to The Montgomery County Transportation Authority and Lease to Montgomery County, for Use in Two Companion Improvement Projects in Norristown, Montgomery County, Pennsylvania

3. Lease by 5 & 9 Associates, LLC of 40 Parking Spaces that are Located Adjacent to Conshohocken Passenger Station in Montgomery County, Pennsylvania

B. **Various Procurements**

C. **Sole Source Procurement**

D. **Change Order**

4. **Report of General Manager**
RESOLUTION

re

ELECTION NOT TO HOLD A REGULAR MEETING OF THE BOARD IN THE
MONTH OF AUGUST 2013 AND CANCELLATION OF THE REGULAR AND
SPECIAL MEETINGS OF THE BOARD SCHEDULED FOR AUGUST 22, 2013

WHEREAS, under Section 3.02 of the By-Laws the Board by
resolution may elect not to hold a regular meeting in the month
of July or August; and

WHEREAS, the Board desires not to hold a regular meeting in
the month of August 2013.

NOW, THEREFORE, BE IT RESOLVED, that the Board will not
hold a regular meeting in the month of August 2013.

FURTHER RESOLVED, that the Board hereby cancels the regular
and special meetings that are scheduled to be held on August 22,
2013.
RESOLUTION

re

APPOINTMENT OF UBS FINANCIAL SERVICES, INC. AS INVESTMENT MANAGER AND TERMINATION OF INVESTMENT MANAGEMENT AGREEMENT WITH BARCLAYS WEALTH MANAGEMENT

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 commodities within the permissible investment classes; and

WHEREAS, at the Board meeting that was held on June 23, 2011, the Board approved an investment in commodities with Barclays Wealth Management ("Barclays") through the Barclays Wealth Advisors Series - Strategic Commodities Fund that is sub-advised by Gresham Asset Management ("Gresham"); and

WHEREAS, at the Pension Committee meeting that was held on June 27, 2013, PFM Advisors, SEPTA’s pension consultant, advised the Committee that the advisory fee for this commodities investment could be reduced by 5 basis points per annum, which
equates to $10,000 annually based on the amount invested, if SEPTA were to invest in this commodities product via UBS Financial Services, Inc. ("UBS") in place of Barclays; and

WHEREAS, the Pension Committee then discussed the proposal to move the commodities investment vehicle from Barclays to UBS, while keeping sub-advisor Gresham in place; and

WHEREAS, after further discussion among the Committee and PFM Advisors, the Committee determined that the annual cost savings justified the change in investment managers, and recommended to terminate the investment management agreement with Barclays.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes the proper officers of SEPTA to terminate the investment management agreement with Barclays Wealth Management as a manager of SEPTA’s investments in commodities.

FURTHER RESOLVED, that the Board hereby designates and appoints UBS Financial Services, Inc. as manager of SEPTA’s investments in commodities (with Gresham Investment Management remaining as sub-advisor), 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 UBS Financial Services, Inc. consistent with this Resolution; (ii) take such action necessary to transfer such amounts of funding to UBS Financial Services, Inc. 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.
RESOLUTION

re

AUTHORIZATION TO APPROVE AND ADOPT A SIX-MONTH OPERATING EXPENSE PLAN THROUGH DECEMBER 28, 2013 (FISCAL DECEMBER 2013)

WHEREAS, Section 1751 of the Public Transportation Law (Act 26 of 1991, as amended by Act 3 of 1994), SEPTA's enabling act, requires SEPTA 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, on March 15, 2013 SEPTA released its Fiscal Year 2014 Operating Budget Proposal and Fiscal Years 2015-2019 Financial Projections; and

WHEREAS, the Fiscal Year 2014 Operating Budget proposed a spending level of $1.321 billion which included a projected $38 million funding shortfall; and

WHEREAS, with state legislative funding discussions still underway in Harrisburg, the Board deferred further action on the Fiscal Year 2014 Operating Budget until a later meeting; and

WHEREAS, on June 27, 2013 the Board approved an operating expense plan for July 2013 in the amount of $97.2 million while
state legislative discussions continued on a possible state transportation funding plan; and

WHEREAS, the Pennsylvania General Assembly has now recessed for the remainder of the summer without taking any action with respect to resolution of state transportation funding; and

WHEREAS, based upon the foregoing, staff has determined that authorization for a six-month Fiscal Year 2014 expense plan (until the end of calendar year 2013) is necessary, which will allow SEPTA to continue operations until such time that further discussions are held by the Pennsylvania General Assembly on a transportation funding bill; and

WHEREAS, a six-month budget of $639.7 million has been developed by staff based upon the Fiscal Year 2014 Operating Budget Proposal amount of $1.321 billion, covering the period of July 1, 2013 through December 28, 2013 (Fiscal December 2013); and

WHEREAS, the Pennsylvania Department of Transportation (PADOT) has recently advised SEPTA that the total amount of local matching funds required under Act 44 for the Fiscal Year 2014 Consolidated Operating Application is $82,262,925.

WHEREAS, staff has requested that the General Manager recommend to the Board adoption of an operating expense plan for the six-month period of July 1, 2013 through December 28, 2013 in the amount of $639.7 million; and
WHEREAS, the General Manager made this recommendation to the Board.

NOW THEREFORE, BE IT RESOLVED, that the Board hereby approves and adopts the proposed operating expense plan for the six-month period of July 1, 2013 through December 28, 2013 (Fiscal December 2013) at the expense level of $639.7 million, as more fully described in the pertinent staff summary.

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

re


WHEREAS, SEPTA's enabling act at 74 Pa.C.S. § 1751(a) requires SEPTA annually to adopt a capital budget and a capital program covering the ensuing 12 years; and

WHEREAS, at its meeting on May 23, 2013, the Board initially deferred taking action on the adoption of the Fiscal Year 2014 Capital Budget pending action by the Pennsylvania General Assembly on a bill with respect to transportation funding; and

WHEREAS, since the Pennsylvania General Assembly did not enact legislation addressing state-wide transportation funding prior to its adjourning for summer recess, the Fiscal Year 2014 Capital Budget and Twelve-Year Capital Program must now be adopted; and

THE TENTATIVE CAPITAL BUDGET

WHEREAS, on March 22, 2013 the General Manager filed with the Board the tentative Capital Budget for Fiscal Year 2014 and
the tentative Twelve-Year Capital Program and Comprehensive Plan for Fiscal Years 2014-2025; and

WHEREAS, SEPTA’s Fiscal Year 2014 Capital Budget and Twelve-Year Capital Program reflects the fourth consecutive year of reduced funding resulting from the loss of $110 million per year of State Act 44 funds, thereby causing the Authority to defer many critical projects in the capital program; and

WHEREAS, due to the reduction in capital funds, SEPTA must continue to limit its capital budget to honoring SEPTA’s financial obligations, complying with governmental requirements and advancing safety-related and essential vehicle replacement and rehabilitation programs; and

WHEREAS, SEPTA selected 14 capital projects ("Projects") which are identified in the tentative Capital Budget for Fiscal Year 2014 and pertinent staff summary; and

WHEREAS, the tentative Fiscal Year 2014 Capital Budget recommends the allocation of $308 million in capital improvements that SEPTA will make throughout the metropolitan region; and

STATE FUNDS

WHEREAS, in accordance with Act 44 of 2007, SEPTA anticipates that it is eligible to receive from the Public
Transportation Trust Fund ("PTTF") of the Commonwealth $116.5 million for capital projects for Fiscal Year 2014, so long as SEPTA receives $4.2 million in matching funds from the Counties of Bucks, Chester, Delaware, Montgomery and Philadelphia and other appropriate local sources; and

WHEREAS, SEPTA will apply the financial assistance available through Act 44 of 2007 and local matches to advance the tentative Fiscal Year 2014 Capital Budget; and

PUBLIC HEARING

WHEREAS, pursuant to applicable law and the rules and regulations that became effective on March 1, 2010, the Chairman appointed Joseph M. O'Malley as Hearing Examiner to conduct a public hearing with respect to the tentative Capital Budget for Fiscal Year 2014 and the tentative Twelve-Year Capital Program and Comprehensive Plan; and

WHEREAS, after appropriate publication and posting, the Hearing Examiner presided over two sessions of the public hearing, both of which were held on April 23, 2013 at a convenient, accessible location; and

WHEREAS, persons who desired to do so were given the opportunity to appear at the public hearing, to present
testimony, to introduce exhibits and other evidence, and to ask relevant questions of the representatives of SEPTA; and

WHEREAS, based on the testimony, evidence, and exhibits presented at the public hearing or otherwise entered into the record, the Hearing Examiner issued to the Board a Report and Recommendation with respect to the tentative Capital Budget for Fiscal Year 2014 and the tentative Twelve-Year Capital Program and Comprehensive Plan; and

WHEREAS, in his Report and Recommendation the Hearing Examiner recommended that the Board adopt the tentative Capital Budget and tentative Twelve-Year Capital Program and Comprehensive Plan; and

USE OF STATE FUNDS

WHEREAS, the management of SEPTA has reasonable belief based on historical commitments of local funding that the Counties of Bucks, Chester, Delaware, Montgomery and Philadelphia and other appropriate local sources will provide funds of $4.2 million in Fiscal Year 2014 that will match the financial assistance for capital projects that SEPTA will request from the Department of Transportation of the Commonwealth of Pennsylvania ("PennDOT"); and
WHEREAS, SEPTA recognizes that financial assistance obtained through Act 44 of 2007 and local matches (i) may only be applied to capital projects, (ii) are ineligible for use as payment for operating expenses, as defined by PennDOT, and (iii) if not used in Fiscal Year 2014 must be retained and used only for capital projects in a subsequent fiscal year or years; and

RECOMMENDATION OF MANAGEMENT

WHEREAS, staff requested that the General Manager recommend that the Board (i) adopt the Capital Budget for Fiscal Year 2014 and the Twelve-Year Capital Program and Comprehensive Plan for Fiscal Years 2014-2025, with the caveat that staff will present to the Board a Capital Budget amendment in the event the Pennsylvania General Assembly later enacts transportation funding legislation and (ii) authorize SEPTA to apply for financial assistance under Act 44 of 2007 for capital projects for Fiscal Year 2014; 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, together with the arguments and/or other material presented at this meeting of the
Board, along with the recommendation of the Hearing Examiner, the Board hereby adopts the Capital Budget for Fiscal Year 2014 and the Twelve-Year Capital Program and Comprehensive Plan for Fiscal Years 2014-2025 as management proposed them.

FURTHER RESOLVED, that for the purpose of obtaining financial assistance for the Projects, the Board hereby authorizes the proper officers of SEPTA (i) to file applications, in form approved by the Office of General Counsel, with the Federal Transit Administration, the Department of Transportation of the Commonwealth of Pennsylvania and all other funding agencies, (ii) to secure commitments of local matching funds and (iii) to give to each of the entities from which funds are sought all necessary assurances, including those specified in the General Resolutions on this subject that the Board adopted on November 17, 1974, February 22, 1978, and May 26, 1982.

FURTHER RESOLVED, that the Board hereby authorizes SEPTA to submit to the Department of Transportation of the Commonwealth of Pennsylvania an application for $116.5 million of financial assistance for capital projects for Fiscal Year 2014 and any other state funds that may be made available for Fiscal Year 2014.
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 an application or applications in which SEPTA requests financial assistance for capital projects for Fiscal Years 2014-2025 under Act 44 of 2007 and other appropriate legislation.

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 funds of no less than $4.2 million in Fiscal Year 2014 and that said funds will match the financial assistance for capital projects that SEPTA will receive under Act 44 of 2007.

FURTHER RESOLVED, that as to financial assistance for capital projects that SEPTA will receive through Act 44 of 2007 and local matches, the Board certifies that SEPTA (i) will only apply the funds to capital projects, (ii) recognizes that
funds are ineligible for use as payment for operating expenses, as defined by PennDOT, and (iii) will retain the funds not used in Fiscal Year 2014 and will use the funds only for capital projects in a subsequent fiscal year or years.

FURTHER RESOLVED, that the Board hereby authorizes the Chairman, General Manager or his designee, and other proper officers of SEPTA to enter into and to execute such agreements or other instruments, in form approved by the Office of General Counsel, with the funding agencies as may be required in order to obtain funding for the programs and Projects included in the Capital Budget for Fiscal Year 2014 and otherwise to effectuate the purposes of this Resolution.

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 things as shall be necessary and proper in order to effectuate the purpose of this Resolution.
RESOLUTION

re

AUTHORIZATION TO RENEW PURCHASE OF STOP LOSS INSURANCE FOR MEDICAL AND PRESCRIPTION DRUG BENEFITS

WHEREAS, effective August 1, 2012 SEPTA entered into a self-insured formal arrangement with Independence Blue Cross ("IBC") for medical coverage covering approximately 9,400 employees and retirees; and

WHEREAS, in order to provide budgeting protection from large dollar value claims, on June 28, 2012 the Board authorized SEPTA to purchase "Stop Loss Insurance" from HM Life Insurance Company (formerly Highmark Insurance Company) ("HM"), which included a "Specific Deductible" of $500,000 or higher per person; and

WHEREAS, the Stop Loss Insurance coverage was for a one-year period expiring on July 31, 2013, at an estimated premium of $2,116,128, and has a 12-month claims run out period through July 31, 2014 for claims incurred before July 31, 2013; and

WHEREAS, SEPTA's broker (Innovative Risk Solutions, Inc.) solicited proposals for renewal of Stop Loss Insurance from
eight carriers in the marketplace, with five firms submitting quotations; and

WHEREAS, of the quotations received, HM provided the best rate to SEPTA for a $500,000 Specific Deductible Policy at a cost of $17.30 per employee per month for an estimated amount of $1,951,440, with actual numbers depending on the number of monthly covered employees; and

WHEREAS, IBC and HM are integrated companies, thereby affording to SEPTA numerous benefits, including the avoidance of having to pay stop loss coordination fees to IBC of $2 per month per employee; and

WHEREAS, with the concurrence of the Stop Loss Committee of the Board, staff requested the General Manager recommend that the Board authorize SEPTA to purchase Stop Loss Insurance from HM under the terms that are set forth 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 purchase Stop Loss Insurance coverage from HM Life Insurance Company, with a $500,000 Specific Deductible,
under the terms that are set forth above and more fully described in the pertinent staff summary.

FURTHER RESOLVED, that the coverage will cover both medical and prescription drug claims incurred over the one-year period of August 1, 2013 through July 31, 2014 at an estimated annual premium of $1,951,440.

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.
RESOLUTION

re

AWARD OF CONSULTING SERVICES CONTRACTS
PURSUANT TO REQUEST FOR PROPOSALS

WHEREAS, SEPTA, which has need for the consulting services as described below, advertised and solicited proposals from firms wishing to propose; and

WHEREAS, SEPTA staff requested that the General Manager recommend that the Board authorize SEPTA to award contracts to the firms identified below because the firms were the successful proposers in the areas for which the request for proposals was issued; and

WHEREAS, 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 following consultant contracts 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 the proposer satisfactorily meeting all
requirements of the terms and conditions of the relevant request for proposals, including the provision of any required insurance certificates and full compliance with any applicable Disadvantaged Business Enterprise requirements:

1. To CapTech Ventures, Inc., for the provision of Application Development Consultant Services for a total contract amount not to exceed $500,000; and to aurionPro Solutions, Inc., for a total contract amount not to exceed $500,000, for the provision of Infrastructure Consultant Services, which together provide the scope of work for overall General Information Technology Consultant ("GITC") Services, to be performed on an "as required" basis over a period of one year scheduled to commence on August 1, 2013, as described in the staff summary on this subject, Request for Proposals No. 12-054-MXW - General Information Technology Consultant Services (GITC).

2. To ABB, Inc., for the provision and installation of an energy storage system (ESS) at Griscom electric traction substation as part of a project that will capture energy from the regenerative braking action of decelerating MFSL trains, provide energy for accelerating trains, and provide a revenue source to SEPTA via an energy management system which will
optimize the ESS for either SEPTA usage or to respond to the needs of the energy market, with services to be performed over a period of 20 months commencing on September 1, 2013, as described in the staff summary on this subject, for a total contract amount not to exceed $1,460,000, Request for Proposals No. 12-106-RLW - Griscom Energy Storage System (ESS).
RESOLUTION

re

AUTHORIZATION TO EXECUTE A CONSULTANT AMENDMENT

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

WHEREAS, staff reviewed the additional work and the General Manager recommended that the Board authorize SEPTA to enter into the amendment 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 amendment 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 Public Financial Management, Inc., for Amendment No. 1, which provides for a six-month time extension to the existing financial advisory services contract for precautionary reasons, thereby establishing a new contract completion date of February 28, 2014, at no increase in cost, with the total
contract price, including this amendment, remaining at an amount not to exceed $450,000.
RESOLUTION

re

LEASE BY EUGENIA CORPORATION, LLC TO SEPTA
OF 77 PARKING SPACES LOCATED NEAR BRYN MAWR
PASSenger STATION IN MONTGOMERY COUNTY, PENNSYLVANIA

WHEREAS, Eugenia Corporation, LLC ("Eugenia") owns a parcel of property ("Parcel") that is adjacent to a parking lot which adjoins the Bryn Mawr Passenger Station ("Station") along SEPTA's Norristown High Speed Line; and

WHEREAS, since 1967 SEPTA (or its predecessor Philadelphia Suburban Transportation Company) has leased from Eugenia (or its predecessors in interest) parking spaces to accommodate commuter overflow for the Station; and

WHEREAS, by authorization of the Board on February 24, 1988, SEPTA entered into a lease with E. J. and M. K. Rackel to use 0.655 acres of property encompassing a total of 77 parking spaces within the Parcel ("Demised Premises"), for additional commuter parking for the period of February 1988 through January 1989; and
WHEREAS, the said lease, which was assumed by Eugenia, is currently in a month-to-month hold over status at an annual rental rate of $40,800; and

WHEREAS, Eugenia has offered to enter into a new lease with SEPTA for the Demised Premises for a term of ten years at an initial annual base rental of $47,000, with Consumer Price Index (CPI) increases effective the second year and each year thereafter; and

WHEREAS, SEPTA will be responsible for the payment of real estate taxes (estimated at $10,000 annually), and will continue to be responsible for maintenance, repairs and improvements to the Demised Premises, as well as ice and snow removal; and

WHEREAS, staff requested that the General Manager recommend that the Board authorize SEPTA to enter into a new lease agreement with Eugenia for the continued use of 77 parking spaces near Bryn Mawr Station, under such terms as 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 proposed lease agreement with Eugenia Corporation, LLC, consistent with the terms and conditions set forth above and more fully described 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.
RESOLUTION

re

SALE BY SEPTA OF TWO PARCELS OF PROPERTY AND GRANT OF THREE TEMPORARY CONSTRUCTION EASEMENTS TO THE MONTGOMERY COUNTY TRANSPORTATION AUTHORITY AND LEASE BY SEPTA TO MONTGOMERY COUNTY, FOR USE IN TWO COMPANION IMPROVEMENT PROJECTS IN NORRISTOWN, MONTGOMERY COUNTY

WHEREAS, Montgomery County has requested SEPTA's partnership in the widening of Lafayette Street to accommodate increased traffic demands and improve access to SEPTA's Norristown Transportation Center ("NTC"), as well as the development of the Schuylkill River Trail which runs parallel to the railroad right-of-way in the vicinity of the NTC; and

WHEREAS, the improvements contemplated under the Lafayette Street Project will require SEPTA to sell 15,507+/- square feet of property to the Montgomery County Transportation Authority ("MCTA") for an appraised fair market value ("FMV") of $113,400, and the granting of two temporary construction easements to MCTA for 9,148+/- square feet and 44 square feet for a combined appraised FMV of $13,277; and
WHEREAS, MCTA has also agreed to tender to SEPTA an additional amount of $245,000, representing the appraised FMV for SEPTA's existing property improvements (paving, retaining walls, pole-mounted lighting, etc.), that will be removed as part of the Lafayette Street Project; and

WHEREAS, the improvements contemplated under the Schuylkill River Trail Project will require SEPTA selling 114,301+- square feet of property to MCTA along the railroad right-of-way for an appraised FMV of $825,300, and the granting of a temporary construction easement to MCTA for 25,700+- square feet for an appraised FMV of $37,123; and

WHEREAS, the Schuylkill River Trail Project will also require SEPTA entering into a nominal lease agreement with Montgomery County for 11,543+- square feet of property along the railroad right-of-way, for a term of 30 years, which will reflect required Federal Transit Administration ("FTA") recapture language; and

WHEREAS, as a result of the foregoing transactions, SEPTA will receive a total of $1,234,100, which has been duly accepted by the FTA as representing the fair market value appraisals as prepared by the Pennsylvania Department of Transportation ("PennDOT"); and

Page 2 of 3
WHEREAS, staff requested that the General Manager recommend that the Board authorize SEPTA to (i) sell to MCTA two parcels of property and grant to MCTA the three temporary construction easements, and (ii) enter into a nominal lease agreement with Montgomery County, under the terms that are set forth 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 (i) sell and grant to the Montgomery County Transportation Authority the properties and easements, and (ii) enter into a lease with Montgomery County, above under the terms and conditions that are set forth above and more fully described 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.
RESOLUTION

re

LEASE BY 5 & 9 ASSOCIATES, LLC TO SEPTA OF 40 PARKING SPACES THAT ARE LOCATED ADJACENT TO CONSHOHOCKEN PASSENGER STATION IN MONTGOMERY COUNTY, PENNSYLVANIA

WHEREAS, 5 & 9 Associates, LLC ("5 & 9") owns a parcel of property ("Parcel") located in Conshohocken, Montgomery County which is adjacent to the outbound side of SEPTA'S Conshohocken Passenger Station ("Station") on the Norristown Rail Line; and

WHEREAS, SEPTA's facilities at the Station are limited and historically insufficient to accommodate the ridership at this location; and

WHEREAS, in April 1998 SEPTA entered into a nominal lease agreement with the Montgomery County Redevelopment Authority, the previous owner of the Parcel, for use of parking spaces within the Parcel ("Demised Premises") for a term of one year commencing May 1, 1998, which lease is currently in 90-day notice hold-over status; and
WHEREAS, 5 & 9 has notified SEPTA that the lease will be terminated and that a new lease agreement will be required effective September 16, 2013; and

WHEREAS, 5 & 9 has offered to enter into a new lease with SEPTA for the Demised Premises for a term of three months commencing on September 16, 2013, at a monthly rental of $880, with a mutual 90-day termination provision; and

WHEREAS, SEPTA will continue to be responsible for all maintenance and repairs to the Demised Premises, as well as ice and snow removal; and

WHEREAS, staff requested that the General Manager recommend that the Board authorize SEPTA to enter into the proposed lease agreement with 5 & 9 under such terms as 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 proposed lease agreement with 5 & 9 Associates, LLC consistent with the terms and conditions set forth above and more fully described 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.
RESOLUTION
re

AUTHORIZATION TO AWARD CONTRACTS FOR VARIOUS PROCUREMENTS

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 Delaware Valley Lift and Truck, Inc., for the provision of all material, parts, tools, equipment, labor, supervision, transportation and insurance necessary to perform preventive maintenance and repairs to SEPTA's floor scrubbers, sweepers, material handlers, man-lifts, carts, pullers and similar industrial equipment throughout the Authority, with services to be performed on an "as required" basis over a period of three years scheduled to commence on October 1, 2013, 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 $1,467,750, Sealed Bid No. 13-018-HAC - Three Year Authority-Wide Industrial Fleet Maintenance and Minor Repairs.

2. To Carr & Duff, Inc., for electrical construction services, for a total contract amount not to exceed $13,175,775; and to Seravalli, Inc., for general construction services, for a total contract amount not to exceed $783,000, for the SEPTA - Wayne Junction Traction Power Substation Rehabilitation Project, to be performed over a period of 730 calendar days after issuance
of Notice-to-Proceed, as described in the staff summary on this subject, Sealed Bid No. 13-039-JHC - Wayne Junction Traction Power Substation Rehabilitation Project.

3. To G. Antonini Construction, Inc., for the paving of SEPTA's railroad stations and parking lots throughout Montgomery, Delaware, Chester, Bucks and Philadelphia counties, with services to be performed on an "as required" basis over a period of 730 calendar days after the issuance of Notice-to-Proceed, as described in the staff summary on this subject, for a total contract amount not to exceed $2,395,100, Sealed Bid No. 13-028-DMH - Asphalt Paving Blanket Stations and Facilities Project.

4. To Laboratory Corporation of America, for the continuation of clinical laboratory services required by Federal law to drug test all employees within safety sensitive positions, with services to be performed on an "as required" basis over a period of five years commencing on September 1, 2013, as described in the staff summary on this subject, for a total contract amount not to exceed $506,716.75, Sealed Bid No. 13-020-HAC - Clinical Laboratory Services.
RESOLUTION

re

AWARD OF A CONTRACT FOR A SOLE SOURCE PROCUREMENT

WHEREAS, SEPTA has need for the supplies and services described below and those supplies and services are available only from the firm 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 contract.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes SEPTA to award and the General Manager or his designee to execute the contract identified below 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 the vendor/contractor satisfactorily providing any required bonds, insurance certificates and/or other documents, and complying with any applicable Disadvantaged Business Enterprise requirements:
1. To Matrix Railway Corporation, for the purchase of 252 circuit boards (six different types) to be used on the Silverliner IV wheelslip panel, at a unit price of $800, with delivery of material commencing in October 2013, as described in the staff summary on this subject, for a total contract amount not to exceed $201,600.
RESOLUTION

re

AUTHORIZATION TO EXECUTE CHANGE ORDERS

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 orders 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 Deco Management Corporation, for Change Order No. 1, which provides for various design revisions, delay claims and credits on the SEPTA - Primos Pre-Fabricated Station Building and Canopy Project - General Construction, at a net increase in cost not to exceed $140,739, bringing the total contract price,
including this change order, to an amount not to exceed $1,047,739.