SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY

AGENDA

REGULAR MEETING

To Be Held at 3:00 PM

NOVEMBER 17, 2016

1234 Market Street, Mezzanine Level

Philadelphia, PA

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1. Approval of the Minutes of the Regular Meeting of October 27, 2016

2. Financial Report

3. Resolutions

I. Administration Committee Review

A. Authorization to Enter into a Guaranteed Energy Savings Agreement (GESA) with NORESCO, Inc. and an Associated Tax-Exempt Lease/Purchase Agreement with PNC Equipment Finance, LLC

B. Award of Consultant Services Contracts Pursuant to Request for Proposals

C. Consultant Contract Amendment

II. Operations Committee Review

A. Transfer by SEPTA to Pennsylvania Department of Transportation of Five Parcels of Property, and Grant of Three Permanent Easements and Four Temporary Construction Easements, in Connection with Improvements to Markley Street Adjacent to SEPTA’s Elm Street and Main Street Passenger Stations in Norristown Borough

B. Various Procurements

C. Sole Source Procurements

D. Change Orders

4. Report of General Manager

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RESOLUTION

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AUTHORIZATION TO ENTER INTO A GUARANTEED ENERGY SAVINGS AGREEMENT (GESA) WITH NORESCO, INC. AND AN ASSOCIATED TAX-EXEMPT LEASE/PURCHASE AGREEMENT WITH PNC EQUIPMENT FINANCE, LLC

WHEREAS, on January 27, 2011 the Board authorized SEPTA’s Sustainability Program Plan which pledges “budget neutrality” for sustainability projects, requiring them to stand on their own financial merit via grants, financing or new revenue at least equal to the project costs; and

WHEREAS, SEPTA’s Energy Action Plan (published in 2012) identifies the Pennsylvania Guaranteed Energy Savings Act (GESA) as a potential pathway to achieve energy conservation goals, while at the same time preserving the pledge of budget neutrality for sustainability projects; and

WHEREAS, the GESA legislation enables Pennsylvania public agencies to partner with energy savings companies (ESCOs) to design and construct energy conservation measures (ECMs) at no upfront cost to the public agency, with the energy savings being guaranteed by the ESCO and used to repay the cost of the ECMs over the life of the GESA contract; and

WHEREAS, on October 22, 2015 the Board authorized SEPTA to
award and execute a pre-development agreement to produce an Investment Grade Audit (IGA) with NORESCO, Inc. to evaluate potential ECM’s at SEPTA’s Midvale Complex, including a combined heat and power (CHP) facility, as well as provide a resilient power source in the event of energy or PECO outage; and

WHEREAS, additional ECMs (including LED lighting at Midvale, Liberty Yard and Roberts Yard) were also evaluated; and

WHEREAS, NORESCO, Inc.’s final proposed IGA features $35.9 million in ECM project costs with $124.7 million in guaranteed energy savings to be used to pay for the ECMs, plus Operating and Maintenance costs over a 20 year contract period; and

WHEREAS, in October 2016 SEPTA solicited competitive financing for the proposed ECMs from four banks having energy groups specializing in such transactions; and

WHEREAS, after reviewing the competitive financing proposals of each bank, staff found PNC Equipment Finance, LLC offered the most advantageous proposal which will be structured as a lease/purchase with the ownership of the ECM’s transferring to SEPTA at the end of the term; and

WHEREAS, the transaction will be recorded as a capital lease on the Authority’s financial statements; and

WHEREAS, given that the energy savings guaranteed by
NORESCO, Inc. will be in an amount equal to or greater than the lease expense and other project expenses in every year the lease remains in place, PennDOT has indicated it will permit SEPTA to use Section 1513 operating funds to make the annual payments related to the tax-exempt lease agreement, and will also allow SEPTA to grant the lessor a security interest in the assets being financed; and

WHEREAS, staff requested that the General Manager recommend that the Board authorize SEPTA to enter into and execute a Guaranteed Energy Savings Agreement for a period of 20 years with NORESCO, Inc., as well as a tax-exempt lease/purchase agreement with PNC Equipment Finance, LLC for a period of 18 years, under the terms and conditions 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 (i) a Guaranteed Energy Savings Agreement with NORESCO, Inc. and (ii) a lease/purchase financing agreement with PNC Equipment Finance, LLC, for $35.9 million in Energy Conservation Measures (ECMs) in accordance with the
Pennsylvania Guaranteed Energy Savings Act, under the terms and conditions set forth within 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

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AWARD OF CONSULTANT SERVICES CONTRACTS
PURSUANT TO REQUEST FOR PROPOSALS

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

WHEREAS, SEPTA staff has requested that the General Manager recommend that the Board authorize the award of a contract to the firms listed below because said firms were the successful proposers in the areas for which the request for proposals were issued; and

WHEREAS, the General Manager recommended that that the Board authorize the award of the contracts.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorize to award subject to the following conditions and the General Manager or his designee to execute the following 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 proposers satisfactorily meeting all requirements of the terms and conditions of the
relevant request for proposals, including the provision of any insurance certificates and full compliance with any applicable Disadvantaged Business Enterprise (DBE) requirements.

1. To Golkow Incorporated, at a contract amount not to exceed $200,000; to E-Reporting Stenographic Affiliates, Inc., for a total contract amount not to exceed $200,000; to Veritext Corporation, for a total contract amount not to exceed $200,000; and to Zanaras Reporting & Video, LLC, for a total contract amount not to exceed $200,000, for the provision of court reporting services for SEPTA's Office of General Counsel, with services to be performed over a period of three years scheduled to commence on December 1, 2016, as described in the staff summary on this subject, Request for Proposals No. 15-00115-AHAC - Court Reporting Services for SEPTA's Office of General Counsel.

2. To The Selzer Company, Inc., for the provision of risk management advisory consultant services, to be performed over a period of three years scheduled to commence in January 2017, along with two one-year options to extend the contract to be exercised at SEPTA's sole discretion, as described in the staff summary on this subject, Request for Proposals No. 16-00079-JVL - Risk Management Advisory Consultant Services.
RESOLUTION
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AUTHORIZATION TO EXECUTE 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 HNTB Corporation, at an increase in cost not to exceed $2,500,000; to Gannett Fleming, Inc., at an increase in cost not to exceed $2,500,000; and to STV Incorporated, at an increase in cost not to exceed $2,500,000, for Amendment No. 2, bringing the total price on each contract, including all amendments to date, to an amount not to exceed $9,500,000, which
provides for additional General Engineering Consultant (GEC) services for rail and bus infrastructure and related mass transit projects, to be performed on an “as needed” (task order) basis for work within the scope of the contract as required by the Authority.
RESOLUTION

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TRANSFER BY SEPTA TO PENNSYLVANIA DEPARTMENT OF TRANSPORTATION OF FIVE PARCELS OF PROPERTY, AND GRANT OF THREE PERMANENT EASEMENTS AND FOUR TEMPORARY CONSTRUCTION EASEMENTS, IN CONNECTION WITH IMPROVEMENTS TO MARKLEY STREET ADJACENT TO SEPTA’S ELM STREET AND MAIN STREET PASSENGER STATIONS IN NORRISTOWN BOROUGH

WHEREAS, SEPTA acquired from Consolidated Rail Corporation ("Conrail") the Norristown Junction Branch by deed dated March 30, 1979, and the Stoney Creek Branch by deed dated May 3, 1976; and

WHEREAS, the Pennsylvania Department of Transportation ("PennDOT") requires certain property rights from SEPTA for the reconstruction of Markley Street adjacent to SEPTA’s Elm Street and Main Street Passenger Stations located in Norristown Borough, Montgomery County, and parallel to SEPTA’s railroad right-of-way known as the Manayunk-Norristown Regional Rail Line; and

WHEREAS, the proposed transfer to PennDOT would consist of (i) five properties (Parcel Nos. 27 and 48) via quitclaim deed;
(ii) three deeds of easement; and (iii) four temporary construction easements along Markley Street; and

WHEREAS, PennDOT began negotiations with SEPTA several years ago and must acquire the subject property rights prior to releasing their project for bid scheduled for December 1, 2016; and

WHEREAS, the proposed temporary construction easements with respect to Parcel Nos. 27 and 48 include PennDOT’s use of 53 commuter parking spaces at Elm Street Station and three commuter parking spaces at Main Street Station, to be used by their contractor for construction of paving adjustments in the parking lots; and

WHEREAS, PennDOT has agreed that it will not use the commuter parking spaces at Elm Street and Main Street Stations as laydown areas or to park construction equipment or personal vehicles when work is not being performed on the property, at which time SEPTA shall have use thereof; and

WHEREAS, SEPTA shall receive compensation in accordance with the fair-market value (FMV) appraisal(s) provided by PennDOT within 90 days of execution of the quitclaim deeds and
easement agreements, subject to final engineering review and approval; and

WHEREAS, if required, SEPTA will obtain any Federal Transit Administration (FTA) concurrence of the transaction contemplated hereunder; and

WHEREAS, staff requested that the General Manager recommend that the Board authorize SEPTA to transfer/grant to PennDOT the proposed five parcels of property via quitclaim deed, three permanent easements, and four temporary construction easements, under the terms 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 transfer/grant to the Department of Transportation of the Commonwealth of Pennsylvania the five parcels by quitclaim deed, three permanent easements and four temporary construction easements as identified hereinabove and under the terms set forth within 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

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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 Vanalt Electrical Construction, Inc., for the provision of electrical construction services for the 69th Street Electrical Substation Relocation Project, with services to be performed over a period of 270 calendar days after issuance of Notice-to-Proceed, as described in the staff summary on this subject, for a total contract amount not to exceed $2,178,700, Sealed Bid No. 16-00195-AMJP - 69th Street Electrical Substation Relocation.

2. To AT&T Mobility, for Items Nos. 1-3, for the provision of maintenance and support of leased wireless private network services, at unit prices of $567,000, $101,854 and $30,000, respectively, with services to be performed over a period of three years commencing in December 2016, as described in the staff summary on this subject, for a total contract amount not to exceed $698,854, Sealed Bid No. 15-00226-ACKR - Leased Wireless Private Network Services.

3. To Colliflower, Inc., for the purchase of Parker fittings, hoses and accessories to be used in servicing rail, bus utility trucks and special purposes vehicles, with delivery of material estimated to begin in December 2016 and end
approximately in December 2019, as described in the staff summary on this subject, for a total contract amount not to exceed $167,065.28, Sealed Bid No. 16-00212-AGSE - Parker Fittings, Hoses and Accessories.

4. To Plasser American Corporation, for the purchase of two prime movers and one flat car with cab to be used in conjunction with the NHSL and BSS Line, with delivery of material over a period of 548 calendar days after issuance of Notice-to-Proceed, as described in the staff summary on this subject, for a total contract amount not to exceed $2,789,771, Sealed Bid No. 16-00180-APES - Prime Movers and Flat Car with Cab.

5. To Amquip Corporation, for a total contract amount not to exceed $500,000; to Bortek Industries, Inc., for a total contract amount not to exceed $100,000; to Danella Rental Systems, Inc., for a total contract amount not to exceed $3,100,000; to Delaware Valley Lift Truck, Inc., for a total contract amount not to exceed $150,000; to Global Rental Co., Inc., for a total contract amount not to exceed $75,000; to Hertz Equipment Rental Corporation, for a total contract amount not to exceed $1,500,000; to Jesco Inc., for a total contract amount not to exceed $250,000; to Plasterer Equipment Co. Inc.,
for a total contract amount not to exceed $75,000; to TNT Equipment Sales & Rentals, Inc., for a total contract amount not to exceed $250,000; and to United Rentals (North America), Inc., for a total contract amount not to exceed $1,000,000, for the lease of vehicles and equipment for the EM&C Division, with delivery of vehicles/equipment on an “as required” basis over a period of three years commencing in December 2016, as described in the staff summary on this subject, along with the authorization to re-allocate the monies awarded to each vendor, for a total cumulative contract amount not to exceed $7,000,000, Sealed Bid No. 16-00119-AFKC - Leased Vehicles and Equipment.

6. To Steel River Building Systems, Inc., for the fabrication, transportation, delivery and installation of a prefabricated building at the 61st and Pine Bus Loop to serve as an ADA accessible restroom for SEPTA’s bus operators, with services to be performed over a period of 90 calendar days after issuance of Notice-to-Proceed, as described in the staff summary on this subject, for a total contract amount not to exceed $212,000, Sealed Bid No. 16-00215-ACZC - Prefabricated Building for SEPTA.
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 American Railway Technologies, Inc., for the maintenance, calibration and upgrade of two motor diagnostic
systems (DYNO) at 69th Street Motor Shop, with services to be performed on an "as required" basis over a period three years scheduled to commence in December 2016, as described in the staff summary on this subject, for a total contract amount not to exceed $55,536.

2. To Kone, Inc., for the purchase of 617 (various sizes) of escalator steps used to support the repair/rebuild maintenance efforts throughout CTD and STD locations, at a unit price of $721, with delivery of each specific sized step not later than eight weeks after issuance of Notice-to-Proceed, as described in the staff summary on this subject, for a total contract amount not to exceed $444,857.

3. To General Electric International Inc., for the repair and return of up to 35 PCB main transformers used to convert high voltage power to traction power on the Silverliner IV rail car fleet, at a unit price of $48,667.29, with services to be performed on an "as required" basis over a period of three years commencing in December 2016, as described in the staff summary on this subject, for a total contract amount not to exceed $1,703,355.

4. To PS Technology Inc., for the continued maintenance and support of the proprietary Crew Management System software for
the Information Technology Department, with services to be performed over a period of two years commencing on January 1, 2017 and ending December 31, 2018, as described in the staff summary on this subject, for a total contract amount not to exceed $384,000.
RESOLUTION

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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/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 ACS/Xerox Transport Solutions, Inc., for Change Order No. 14, which provides for additional services/equipment and credits/liquidated damages for the New Payment Technologies (NPT) System Contract, at a net increase in cost not to exceed $3,900,000, bringing the total contract price, including all
change orders to date, to a total contract amount not to exceed $149,342,505.

2. To Edens Corporation, for Change Order No. 6, which provides for a four month time extension of the contract for Regional Rail Division (RRD) ticket sales in Center City and outlying stations, to be made effective retroactive from October 29, 2016 through February 28, 2017, at an increase in cost not to exceed $4,825,800, bringing the total contract price, including all change orders to date, to an amount not to exceed $50,432,988.