1. Approval of Minutes of the Regular Meeting of November 16, 2017
2. Financial Report
3. Resolutions

I. Administration Committee Review
   A. Purchase from American International Group (AIG) and XL/Catlin of Cyber Liability Insurance
   B. Purchase from American International Group (AIG) and C. V. Starr & Co., Inc., of Directors and Officers Liability Insurance
   C. Award of Contracts Pursuant to Request for Proposals

II. Operations Committee Review
   A. Various Procurements
   B. Sole Source Procurements
   C. Change Orders and Amendments

4. Report of General Manager
RESOLUTION

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PURCHASE FROM AMERICAN INTERNATIONAL GROUP (AIG) AND XL/CATLIN OF CYBER LIABILITY INSURANCE

WHEREAS, in today’s hi-tech corporate environment, companies are constantly faced with the threat of "Cyber Liability" when conducting business online and receive, disseminate and/or store personal information on their computer database systems; and

WHEREAS, in the event personal information is publically disclosed by either unlawful act or mistake, the company could face legal exposure for breaching individual privacy rights, infringing upon or misappropriating intellectual property or violating other laws; and

WHEREAS, while SEPTA currently maintains data protection and security protocols in order to protect against cyber-attacks and other unlawful access to personal information, occasionally it has been found that even the most stringent of IT protocols can sometimes be compromised and are insufficient to protect a company against such intrusions; and
WHEREAS, the purchase of Cyber Liability Insurance provides SEPTA with an additional level of protection in the event SEPTA's existing protocols are somehow breached and personal information disclosed; and

WHEREAS, SEPTA's expiring Cyber Liability Program was underwritten in two layers, the first with American International Group (AIG) providing $5 million of primary coverage with a $100,000 per occurrence self-insured retention (SIR) at an annual premium of $86,973, and the second layer with XL/Catlin providing $5 million in excess coverage at an annual premium of $60,880, with both policies being for one-year terms effective December 31, 2016, for a combined annual premium (including a $600 policy fee) of $148,453; and

WHEREAS, during the September 2017 Risk Management Advisory Committee (RMAC) meeting, it was discussed that Aon pursue the incumbent carriers as well as non-incumbent markets to broaden coverage and seek competitive premiums; and

WHEREAS, the total annual premium for the primary and excess coverages quoted by AIG of $89,972 was the only premium that offered all the existing coverages and XL/Catlin quoted the excess coverage of $5 million at a flat rate of $62,890; and
WHEREAS, both the primary and excess layers offer enhancements of (i) expansion of Private Liability terms to include Wrongful Collection coverage; (ii) full $10 million limit for identified Outsourced IT Providers; and (iii) expansion of Business Interruption coverage beyond any intentional cyber attack which includes system failures to unintentional and unplanned outages of SEPTA’s computer system; and

WHEREAS, said policies will also provide Breach Response Expense coverage for costs incurred to respond and handle a breach of personal identifiable information claim, including the forensics investigation, legal costs, notification costs and offering of credit monitoring services, as well as regulatory coverage if the claim is brought on by either the Federal Trade Commission (FTC) or state agency; and

WHEREAS, the RMAC and Office of General Counsel requested that the General Manager recommend that the Board authorize SEPTA to bind the primary layer of Cyber Liability Insurance in the amount of $5 million with AIG, and the $5 million excess layer of coverage with XL/Catlin, under such terms and conditions as set forth above and more fully described in the
pertinent staff summary, at a combined total annual program cost (including a $600 policy fee) not to exceed $153,462; and

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

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes SEPTA to renew and place Cyber Liability Insurance with (i) American International Group (AIG) for $5 million in primary coverage with a $100,000 per occurrence self-insured retention, at an annual premium not to exceed $89,972; and (ii) XL/Catlin for $5 million in coverage in excess of $5 million, at an annual premium not to exceed $62,890, for a total annual premium not to exceed $153,462 (including a $600 policy fee) with both policies being for one-year terms commencing December 31, 2017.

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.
RESOLUTION

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PURCHASE FROM
AMERICAN INTERNATIONAL GROUP (AIG) AND C. V. STARR & CO., INC.
OF DIRECTORS AND OFFICERS LIABILITY INSURANCE

WHEREAS, SEPTA's current directors and officers ("D&O") liability insurance policies with American International Group (AIG) and C. V. Starr & Co., Inc. ("Starr") will expire on December 31, 2017, with expiring annual premiums of $186,370 and $70,000, respectively; 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 Board members 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 Board members solely due to their status or due to their official acts; and

WHEREAS, during the September 2017 meeting of the Risk Management Advisory Committee ("RMAC") it was discussed to pursue a decrease in premiums for this renewal; and

WHEREAS, AIG and Starr quoted coverages with the same terms and conditions as the expiring program, with AIG offering a premium of $181,370 (reduced by $5,000 from last year) for the primary D&O layer, and Starr offering a quote of $67,700 (reduced by $2,300 from last year) for the excess D&O layer; and

WHEREAS, staff, with the concurrence of the RMAC, requested that the General Manager recommend that the Board authorize SEPTA to purchase D&O liability insurance (i) 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 (ii) from Starr an excess layer of $10 million, under the terms and conditions 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 purchase (i) from American International Group (AIG) a primary layer of directors and officers liability insurance in the amount of $10 million; and (ii) 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, 2017, both of which will be under the terms and conditions set forth within the pertinent staff summary.

FURTHER RESOLVED, that the total annual prepaid premiums for the policies with American International Group (AIG) and C. V. Starr & Co., Inc. will not exceed $181,370 and $67,700, respectively, along with a $600 policy fee, for a total combined annual premium of $249,670.

FURTHER RESOLVED, that the Board hereby authorizes the General Manager or his designee and other 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 CONTRACTS
PURSUANT TO REQUEST FOR PROPOSALS

WHEREAS, SEPTA, which has need for the 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 contracts to the firms listed below because said firms were the successful proposers in the area for which the request for proposals were issued; and

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

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes SEPTA to award subject to the following conditions and the General Manager 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 required insurance certificates and full compliance with any applicable Disadvantaged Business Enterprise (DBE) requirements:

1. To QCC Insurance Company (utilizing Davis Vision), for the provision of administrator services for SEPTA's Vision Benefits Plan for approximately 9,000 employees and their dependents, with services to be performed over a period of five years commencing on May 1, 2018, as described in the staff summary on this subject, for a total contract amount not to exceed $2,656,800, Request for Proposals No. 17-00058-ARLW - Vision Benefits.

2. To CapTech Ventures, Inc., for Category 1 (Application Development), for a total contract amount not to exceed $3,000,000; to NorthStar Solutions Group, LLC, for Category 2 (Infrastructure), for a total contract amount not to exceed $1,000,000; and to Spirent Systems, for Category 3 (Cyber Security), for a total contract amount not to exceed $1,000,000, for the provision of General Information Technology Consultant (GITC) Services, with each contract to be performed over a period of three years scheduled to commence on January 1, 2018,
as described in the staff summary on this subject, Request for Proposals No. 16-00248-AHAC - General Information Technology Consultant Services.

3. To Shepard Bros., Inc., for the purchase of 225 Single Rear-Wheel Cutaway Mini-Transit Buses, along with three annual options to purchase up to 60 additional buses at SEPTA's sole discretion, with delivery of vehicles scheduled from June 1, 2018 through December 31, 2020, as described in the staff summary on this subject, for a total contract amount for the base order not to exceed $17,030,701 and a total contract amount for the three annual option orders not to exceed $4,551,620, for a total combined contract value up to and not to exceed $21,582,321, Request for Proposals No. 17-00127-APES - CCT Cutaway Mini-Transit Buses.
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 AT&T Mobility, for the provision of wireless communications services for SEPTA’s EM&C Division and Communications and Signals Department, with services to be performed on an “as required” basis over a period of three years scheduled to commence on January 1, 2018, as described in the staff summary on this subject, for a total contract amount not to exceed $5,539,548, Sealed Bid No. 17-00205-ACKR - Wireless Communication Services.

2. To Waste Management of PA, Inc., for the provision of municipal and recyclable waste hauling services for various operating and maintenance locations throughout the Authority, with services to be performed on an “as required” basis over a period of five years scheduled to commence on January 14, 2018, as described in the staff summary on this subject, for a total contract amount not to exceed $3,799,104, Sealed Bid No. 17-00122-AHAC - Municipal & Recyclable Waste Hauling Services.

3. To Brown’s Equipment & Supply Company, Inc., for the provision of routine preventative maintenance and repair services for pressure washers used to clean ground surfaces at
BSS, MFSE and underground trolley line stations, with services to be performed on an “as required” basis over a period of two years scheduled to commence on January 1, 2018, as described in the staff summary on this subject, for a total contract amount not to exceed $116,740, Sealed Bid No. 17-00154-ACKR - Pressure Washers-Maintenance and Repair.

4. To Penn Detroit Diesel Allison LLC, for the purchase of 200 Energy Storage System (ESS) battery refresh kits to be used at Berridge Shop for the FY2018, FY2019 and FY2020 vehicle overhaul (VOH) campaigns of New Flyer Hybrid Buses, at a unit price of $32,655.76, with delivery of material on an “as required” basis over a period of 36 months commencing in May 2018, as described in the staff summary on this subject, for a total contract amount not to exceed $6,531,152, Sealed Bid No. 17-00216-ABRV - ESS Battery Refresh Kit.

5. To GMI, LLC, for the purchase of 70 gear sets to be used in the maintenance of the B-IV car fleet, at a unit price of $1,899, with delivery of material scheduled for 35 units every 90 days commencing in January 2018, as described in the staff summary on this subject, for a total contract amount not to
exceed $132,930, Sealed Bid No. 17-00200-AYKM - Gear Sets for B-IV Cars.

6. To Mainline Information Systems, Inc., for the provision of continued maintenance and support services for all GT Software data integration softwares, with services to be performed over a period of three years estimated to commence in January 2018, as described in the staff summary on this subject, for a total contract amount not to exceed $109,079.10, Sealed Bid No. 17-00191-AKNJ - Support Services for GT Software Data Integration Software.
RESOLUTION

Re

AWARD OF VARIOUS CONTRACTS FOR SOLE SOURCE PROCUREMENTS

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 ARINC Incorporated, for the provision of engineering and programming services for the Centralized Traffic Control (CTC) System utilized by the Railroad Operations Control Center (ROCC) which will encompass modifying and validating the application of software databases for the Elwyn to Wawa rail service line extension, with services to be performed over a period of 420 calendar days commencing upon issuance of Notice-to-Proceed, as described in the staff summary on this subject, for a total contract amount not to exceed $377,800.

2. To Balfour Beatty Rail, Inc., a division of Balfour Beatty Infrastructure Group, Inc., Traction Power Group, for the provision of maintenance and support services of three railroad static frequency converters installed at the Wayne Junction facility, with services to be performed over a period of three years commencing in January 2018, as described in the staff summary on this subject, for a total contract amount not to exceed $210,000.

3. To NextSense, Inc., for the purchase of three handheld laser wheel measuring systems, associated modules and a two-day training session for SEPTA's Overbrook, Wayne Junction and Frazier rail locations, with delivery of material scheduled in
March 2018, as described in the staff summary on this subject, for a total contract amount not to exceed $97,309.

4. To Nordco, Inc., for the purchase of non-stock replacement parts to be used in the maintenance of spikers, spike pullers, tie inserters and tie handlers by the Track Department, with delivery of material on an "as required, when requested" basis over a period of three years commencing in January 2018, as described in the staff summary on this subject, for a total contract amount not to exceed $83,839.50.

5. To Philadelphia Media Holding LLC (publisher of The Philadelphia Inquirer and Daily News) and the Philadelphia Tribune, for the placement of various legal advertisements for sealed bids, requests for proposals, route changes, service changes, other legal filings and classified advertisements to meet statutory requirements, with services to be performed on an "as required" basis over a period of five years commencing retroactively effective December 16, 2017, as described in the staff summary on this subject, for total contract amounts not to exceed $640,000 and $280,000, respectively.

6. To Bombardier Mass Transit Corporation, for the purchase of six gear housings to be used for the vehicle
propulsion system on the N-5 railcar fleet, at a unit price of $6,955.04 for the gear housings and $45,118.94 for the casting mold, with delivery of material scheduled in October 2018, as described in the staff summary on this subject, for a total contract amount not to exceed $86,849.18.
RESOLUTION

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AUTHORIZATION TO EXECUTE CHANGE ORDERS/AMENDMENTS

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 New Flyer of America, Inc., for Change Order No. 2, which provides for Producer Price Index (PPI) adjustments under SEPTA's contract for the purchase of 40-foot low floor diesel electric buses, at an increase in cost not to exceed $44,806.65, bringing the total contract price, including all change orders to date, to an amount not to exceed $412,792,885.79.
2. To C. Abbonizio Contractors, Inc., for Change Order No. 4, which provides for additional general construction work and a credit on the Frazer Shop & Yard Expansion - Contract 1 Project, at a net decrease in cost not to exceed $225,212, bringing the total contract price, including all change orders to date, to an amount not to exceed $20,588,955, provided that with the Board's approval of this change order, the Board authorizes the resetting of prior authorized cumulative change order amounts to zero dollars ($0) and the establishment of a new cumulative change order threshold of 10% or $500,000, whichever is first reached, pursuant to the Resolution adopted by the Board on May 22, 2008, which Resolution authorized a "Delegation of Authority for Change Orders, Amendments and Agreements".

3. To D.A. Nolt, Inc., for Change Order No. 3, which provides for an unused unit cost line items credit under the general construction contract for the Berridge Shop and 2nd and Wyoming Office Roof Replacement Project, at a decrease in cost not to exceed $914,491, bringing the total contract price, including all change orders to date, to an amount not to exceed $7,122,678, provided that with the Board's approval of this change order, the Board authorizes the resetting of prior
authorized cumulative change order amounts to zero dollars ($0) and the establishment of a new cumulative change order threshold of 10% or $500,000, whichever is first reached, pursuant to the Resolution adopted by the Board on May 22, 2008, which Resolution authorized a "Delegation of Authority for Change Orders, Amendments and Agreements".

4 To RDS Vending, LLC, for Amendment No. 1, which provides for a decrease in the guaranteed minimum payment amount (of $8,334) and percentage of commission (of 35%) under the contract for placement of vending machines on non-public properties, due to changes in the originally contracted amount of serviced machines and the impact of the implemented City of Philadelphia beverage tax that went into effect in January 2017, reducing the guaranteed minimum payment amount and percentage of commission via this amendment to $6,699 and 33%, respectively.

5 To AECOM (formerly URS), for Amendment No. 9, which provides for additional architectural/engineering design-related work and Phase A-1 reallocation of funds for the Elwyn to Wawa Restoration of Service Project, at a net increase in cost not to exceed $3,369,082, bringing the total contract price, including all amendments to date, to an amount not to exceed $18,733,117.
6. To Krapf's Coaches, Inc., for Amendment No. 2, which provides for an eight-month and 26 day time extension of the contract for operation of Bus Route 205 serving portions of Great Valley, to allow time for a revised scope of service and orderly transition of existing route segments to avoid a gap in service, thereby establishing a new contract completion date of September 30, 2018, at an increase in cost not to exceed $200,599, bringing the total contract price, including all amendments to date, to an amount not to exceed $1,508,849.

7. To Krapf's Coaches, Inc., for Amendment No. 1, which provides for an eight-month and 25 day time extension for the contract for operation of Bus Route 204 serving Frazer, Exton, Lionville and Eagleview Corporate Center, to allow time for a revised scope of service and orderly transition of existing route segments to avoid a gap in service, thereby establishing a new contract completion date of September 30, 2018, at an increase in cost not to exceed $498,754, bringing the total contract price, including this amendment, to an amount not to exceed $3,083,513.

8. To AECOM Technical Services, Inc., for Amendment No. 4, which provides for a two-month no cost time extension of the contract for the Norristown High Speed Line (NHSL) Extension
Alternatives Analysis/Draft Environmental Impact Statement (AA/DEIS) allowing for continued support to SEPTA during the public comment period and compile/provide responses thereto in accordance with the current scope of services, thereby establishing a new contract completion date of December 31, 2017, with the total contract price, including all amendments to date, remaining at an amount not to exceed $5,074,537.