

***SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY***

**A G E N D A**

**REGULAR MEETING**

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

**MARCH 22, 2018**

**1234 Market Street, Mezzanine Level**

**Philadelphia, PA**

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1. Approval of Minutes of the Regular and Annual Board Meeting of February 22, 2018
2. Financial Report
3. Resolutions
- I. **Administration Committee Review**
  - A. Renewal of Excess Railroad Operations Liability Insurance with Lloyd's of London
- II. **Operations Committee Review**
  - A. Second Amendment to the Lease Agreement by SEPTA to Delaware County for an Additional Portion of the Chester Creek Branch in Aston Township to Extend a Public Recreational Trail
  - B. Authorization to Award Contracts for Various Procurements
  - C. Award of Contracts for Sole Source Procurements
  - D. Authorization to Execute Change Orders & an Amendment
4. Report of General Manager

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R E S O L U T I O N

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RENEWAL OF EXCESS RAILROAD OPERATIONS LIABILITY INSURANCE  
WITH LLOYD'S OF LONDON

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WHEREAS, SEPTA's Regional Rail Division (RRD) currently operates on rights-of-way owned by SEPTA, National Railroad Passenger Corporation ("AMTRAK") and CSX Transportation ("CSX") which includes 13 different commuter rail lines servicing approximately 125,000 passengers per day over SEPTA's five-county southeastern Pennsylvania service area, as well as parts of New Jersey and Delaware; and

WHEREAS, in addition to RRD service, SEPTA also operates bus service and non-revenue vehicles in both New Jersey and Delaware; and

WHEREAS, claims made against the Authority with respect to SEPTA's railroad operations on AMTRAK and CSX lines and out-of-state RRD/bus service may expose SEPTA to risks well above the Commonwealth's statutory cap on damages as set forth in the Sovereign Immunity Act of 1980; and

WHEREAS, SEPTA'S current excess liability insurance policy with Lloyd's of London ("Lloyd's") with limits of \$295,000,000 and a self-insured retention of \$25,000,000, at an expiring renewal premium of \$3,000,000, expired on February 28, 2018, and coverage has been bound over pending Board approval; and

WHEREAS, the renewal quote from Lloyd's was to provide excess liability coverage in the required amounts for a period of one year effective March 1, 2018, at an annual premium of \$2,958,000 including all fees, taxes and commissions; and

WHEREAS, staff requested that the General Manager recommend that the Board authorize SEPTA to purchase from Lloyd's the excess liability insurance coverage 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 purchase from Lloyd's of London an excess liability insurance policy for a 12-month term made retroactively effective as of March 1, 2018, at an annual premium (including all fees, taxes and commissions) not to exceed \$2,958,000, as set forth within the pertinent staff.

FURTHER RESOLVED, that the Board hereby authorizes the General Manager or his designee and other proper officers of SEPTA to execute all other 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.

S/Corp/Resolutions/03-2018-Renewal of Excess Railroad Operations Liability Insurance with Lloyd's of London

R E S O L U T I O N

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SECOND AMENDMENT TO THE LEASE AGREEMENT BY SEPTA TO DELAWARE COUNTY FOR AN ADDITIONAL PORTION OF THE CHESTER CREEK BRANCH IN ASTON TOWNSHIP TO EXTEND A PUBLIC RECREATIONAL TRAIL

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WHEREAS, SEPTA owns the railroad right-of-way known as Chester Creek Branch ("Branch") which is located within the municipalities of the City of Chester, Chester Township, Aston Township and Middletown Township in Delaware County ("County"); and

WHEREAS, at present the right-of-way is out of service for the operation of trains but continues to serve as the corridor by which SEPTA transmits high voltage electricity which powers the Media-Elwyn RRD commuter rail line; and

WHEREAS, SEPTA intends to preserve the Branch for future railroad and/or public transport use; and

WHEREAS, in 2011 the County requested that SEPTA lease to the County a portion of the surface of the Branch ("Premises") from Lenni Road (Milepost 6.51) to Creek Road (Milepost 3.70) because the County wanted to convert certain contiguous segments of the Branch into an interim trail for public recreational

purposes; and

WHEREAS, on July 28, 2011 the Board authorized SEPTA to enter into a lease agreement with the County ("Lease") for the construction and maintenance of the Premises to be known as the "Chester Creek Trail", for nominal consideration; and

WHEREAS, in October 2013 SEPTA and the County entered into a first amendment to the Lease whereby, *inter alia*, SEPTA was given access to the Premises to perform periodic bridge inspections and conduct salvage operations for rail material; and

WHEREAS, in 2017 the County requested that SEPTA lease an additional portion of the Branch by way of a second amendment to the Lease ("Second Amendment"), for nominal consideration, which will extend the Chester Creek Trail from Creek Road (Milepost 3.70) to a point near Bridgewater Road (Milepost 2.44) in Aston Township; and

WHEREAS, under the proposed Second Amendment the County, at its sole cost and expense, will construct the trail extension and will be responsible for maintaining the Premises (as extended), including refuse removal and prompt clearing of ice and snow; and

WHEREAS, the County will also be responsible for inspecting and maintaining all bridges, culverts, overpasses, underpasses, drainage ditches, stone fills, retaining walls and fences within the Premises; and

WHEREAS, SEPTA, at its sole cost and expense, shall be responsible for the removal of rail and all rail material (excluding ties), with any proceeds derived from the disposition thereof being for the exclusive benefit of SEPTA; and

WHEREAS, staff requested that the General Manager recommend that the Board authorize SEPTA to enter into the Second Amendment to the Lease 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 the second amendment to the lease agreement by and between SEPTA and Delaware County with respect to extending the Chester Creek Trail 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 that 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 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 was the lowest responsive and responsible bidders to the invitations 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 all labor, materials, tools and equipment for the Traction Power Substation Rehabilitation Project, with services to be performed over a period of 1,290 calendar days after issuance of Notice-to-Proceed, as described in the staff summary on this subject, for a total contact amount not to exceed \$17,389,200, Sealed Bid No. 17-00174-AMZK - Traction Power Substation Rehabilitation Project.

2. To Craftweld Fabrication Co., Inc., for the purchase of five stainless steel roto-gates to be utilized and installed at the Market-Frankford Subway Elevated (MFSE) Tioga and Somerset Stations, at a unit price of \$24,000, with delivery of material 16 weeks after issuance of Notice-to-Proceed, as described in the staff summary on this subject, for a total contract amount not to exceed \$120,000, Sealed Bid No. 17-00246-ACJB - MFSE Tioga & Somerset Stations Stainless Steel Roto Gates.

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AWARD OF 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, 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 Kiepe Electric, Inc., for Items Nos. 1-3, for the purchase of 37 (each) current collector, propulsion and auxiliary inverters, and traction motor and braking resistor kits to be used for the overhaul of the trackless trolley fleet, at unit process of \$2,560.60, \$23,717.76 and \$3,576.58, respectively, with delivery of material scheduled over a period of two years commencing in August 2018, as described in the staff summary on this subject, for a total contract amount not to exceed \$1,104,632.78.

2. To Sovos Compliance, LLC, for the renewal of the tax information reporting system subscription needed to support the Affordable Care Act (ACA) compliance reporting requirement, with services to be provided over a period of three years (for tax years 2019-2021) scheduled to expire on or before March 31, 2022, as described in the staff summary on this subject, for a total contract amount not to exceed \$118,831.50.

3. To Iron Mountain Incorporated, to serve as independent escrow agent for intellectual property management of KEY System software, with services to be performed over a period of five years commencing in April 2018, as described in the staff

summary on this subject, for a total contract amount not to exceed \$239,350.

S/Corp/Resolutions/RES-MARCH-2018

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AUTHORIZATION TO EXECUTE CHANGE ORDERS AND 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 orders and the 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 Rockport Construction Company, Inc., for Change Order No. 2, which provides for credits pertaining to modified repairs due to unforeseen conditions and unused allowances and repair units on the Frankford Elevated Haunch Repair Project -

Phase 3, at a decrease in cost not to exceed \$66,600, bringing the total contract price, including all change orders to date, to an amount not to exceed \$1,785,637.

2. To Tony DePaul and Son, L.P, for Change Order No. 1, which provides for a 186 calendar day time extension of the general construction contract for the Slope Stabilizations Rock Cuts near Elkins Park and Jenkintown Stations Project, thereby establishing a new contract completion date of June 8, 2018, at an increase in cost not to exceed \$996,614, bringing the total contract price, including this change order, to an amount not to exceed \$6,273,401, provided that with the Board's approval of this change order, the Board authorizes the resetting of prior authorized cumulative change order amount to zero dollars (\$0) and the establishment of a new cumulative change order threshold of 10% or \$500,000, pursuant to the Resolution adopted by the Board on May 22, 2008, which Resolution authorized a "Delegation of Authority for Change Orders, Amendments and Assignments."

3. To Edens Corporation, for Change Order No. 11, which provides for additional funding required to support increased services and credit card fees to insure continuation of the SEPTA KEY project integration and implementation on the Regional

Rail Division (RRD), as well as a nine-month time extension of services, thereby establishing a new contract completion date of December 31, 2018, at an increase in cost not to exceed \$12,764,773 bringing the total contract price, including all change orders to date, to an amount not to exceed \$81,628,804.

4. To Conduent, Inc. (formerly XEROX Transport Solutions, Inc.), for Change Order No. 18, which provides for fare line modifications to the Jefferson Station East concourse and distribution of additional KEY Cards under the contract for the design and implementation of the New Payment Technologies (NPT) System, at an increase in cost not to exceed \$903,965, bringing the total contract price, including all change orders to date, to an amount not to exceed \$159,773,499.

5. To Edens Corporation, for Change Order No. 2, which provides for a 12-month time extension of the contract for CCT reservations and support services to enable CCT's investigating the possibility of changing the reservations service delivery model from an in-house call center to an off-site center within the five county area, thereby establishing a new contract completion date of May 4, 2019, at an increase in cost not to exceed \$2,250,000, bringing the total contact price, including



all change orders to date, to an amount not to exceed \$11,117,770.

6. To Westcott Electric Company, for Change Order No. 5, which provides for additional electrical construction work on the Concourse Improvements Stage 2 - Phase 1 Project, at an increase in cost not to exceed \$182,988, bringing the total contract price, including all change orders to date, to an amount not to exceed \$1,786,015, provided that with the Board's approval of this change order, the Board authorizes the resetting of prior authorized cumulative change order amount to zero dollars (\$0) and the establishment of a new cumulative change order threshold of 10% or \$500,000, pursuant to the Resolution adopted by the Board on May 22, 2008, which Resolution authorized a "Delegation of Authority for Change Orders, Amendments and Assignments."

7. To AECOM, for Amendment No. 5, which provides for a 24-month time extension to complete tasks under the contract for the Norristown High Speed Line (NHSL) Extension Alternatives Analysis/Draft Environmental Impact Statement (AA/DEIS), thereby establishing a new contract completion date of December 31, 2019, at an increase in cost not to exceed \$1,639,086, bringing

the total contract price, including all amendments to date, to an amount not to exceed \$6,713,623.