SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY

AGENDA

REGULAR MEETING

To Be Held at 3:00 PM

SEPTEMBER 25, 2014

1234 Market Street, Mezzanine Level

Philadelphia, PA

1. Approval of Minutes of the Regular Board Meeting of July 24, 2014 and the Minutes of the Special Board Meeting of August 18, 2014

2. Financial Report

3. Resolutions

I. Administration Committee Review

   A. Renewal of All Risk Property Insurance for the Transit, Rail Divisions and Builders Risk Insurance for Various Projects

II. Operations Committee Review

   A. Acquisition from Pennsylvania Department of Transportation of a Parcel of Property in Connection with the Levittown Intermodal Improvement Project in Bucks County, Pennsylvania

   B. Various Procurements

   C. Sole Source Procurements

   D. Change Orders

4. Report of General Manager
RENEWAL OF ALL RISK PROPERTY INSURANCE FOR THE
TRANSIT, RAIL DIVISIONS, AND BUILDERS RISK INSURANCE
FOR VARIOUS PROJECTS

WHEREAS, SEPTA's current primary layer of all risk property
insurance with Ace/West Chester Fire Insurance Company ("Ace/West
Chester") and AIG Insurance Company ("AIG"), and excess layer of
all risk property insurance with Factory Mutual Insurance Company
("Factory Mutual"), at consolidated expiring premiums of
$1,744,135, will expire on October 1, 2014; and

WHEREAS, concurrent with SEPTA's renewal of all risk property
insurance for 2014-2015, the staff of the Enterprise Risk
Management Department and the Risk Management Advisory Committee
("RMAC") conducted a review of SEPTA's property loss exposure which
included an audit of insured values, an analysis of both
concentrated asset values and loss history, and an updating of the
values of the rolling stock; and

WHEREAS, the review disclosed that a program limit of
liability of $507.5 million, excess of $2.5 million deductible,
would be consistent with SEPTA's theoretical maximum loss events,
in that there is no single location where the probable maximum losses would exceed $500 million; and

WHEREAS, the Risk Management staff and RMAC solicited seven domestic and overseas insurance markets only for renewal of the primary layer of coverage; and

WHEREAS, Ace/West Chester and AIG, the incumbent carriers, proposed equally to co-share underwriting the primary layer of all risk property insurance for a $7.5 million limit of liability with a $2.5 million per occurrence deductible at an annual premium of $544,754, effective on October 1, 2014; and

WHEREAS, Factory Mutual, the incumbent carrier, proposed to underwrite $500 million excess of $10 million in all risk property insurance coverage, plus supplemental coverage for $250 million of SEPTA's rolling stock, at an annual premium of $999,259, effective on October 1, 2014, and subject to changes in insured asset values; and

WHEREAS, the total costs for the 2014-2015 policy year include the brokerage commissions to the RMAC of 20% or $308,803, and SunCorp Appraisal Fees of $15,700, plus a surplus lines fee of $17,300 and a Factory Mutual membership credit of $147,405; and

WHEREAS, the proposed renewal coverages for the existing program, at the expiring terms and conditions as proposed by the carriers, total an annual premium of $1,738,411; and
WHEREAS, the Risk Management staff, with the concurrence of the RMAC, requested that the General Manager recommend that the Board authorize SEPTA (i) to place with Ace/West Chester and AIG the $10 million primary layer of coverage of all risk property insurance with a $2.5 million deductible, and (ii) to place with Factory Mutual the $500 million in excess coverage for all risk property insurance, along with the commissions to the RMAC, under such terms and conditions as set forth above and more fully described in the pertinent staff summary, at a combined total program cost not to exceed $1,738,411; and

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

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes SEPTA to obtain and place all risk property insurance with (i) Ace/West Chester Fire Insurance Company and AIG Insurance Company for $10 million in primary coverage with a $2.5 million per occurrence self-insurance retention, at an annual premium not to exceed $544,754 for one year that will commence on October 1, 2014; and (ii) Factory Mutual Insurance Company for $500 million in coverage in excess of $10 million, at an annual premium not to exceed $995,259 for one year that will commence on October 1, 2014, with both policies being subject to adjustments for changes in
insured asset value and the other terms and conditions that are more fully described in the pertinent staff summary.

FURTHER RESOLVED, that the Board hereby authorizes SEPTA to fund in conjunction with the 2014-2015 all risk property insurance renewal program brokerage commissions to the Risk Management Advisory Committee of $308,803, SunCorp Appraisal Fees of $15,700, surplus lines and policy fees of $17,300, along with a Factory Mutual membership credit of $147,405.

FURTHER RESOLVED, that the Board hereby authorizes the General Manager 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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ACQUISITION FROM PENNSYLVANIA DEPARTMENT OF TRANSPORTATION
OF A PARCEL OF PROPERTY IN CONNECTION WITH THE LEVITTOWN
INTERMODAL IMPROVEMENT PROJECT IN BUCKS COUNTY, PENNSYLVANIA

WHEREAS, SEPTA currently leases from AMTRAK the Levittown
Station building and grounds, including the fully utilized 382
space customer parking lots, serving the Trenton Regional Rail
Line, under the 47 Station Lease Agreement dated January 1, 1987,
as amended; and

WHEREAS, SEPTA is acquiring over eight acres of property for
construction of a new Levittown passenger facility, which will
include a larger ADA accessible station building, high-level
platforms and expanded parking lots totaling 452 spaces, as part of
the Levittown Station Intermodal Improvement Project ("Project"); and

WHEREAS, the Project will require the acquisition of a parcel
of property from the Pennsylvania Department of Transportation
("PennDOT") to be developed for improved SEPTA customer vehicle
circulation and parking, said parcel being approximately 12,372+/-.
square feet of property ("Parcel #6") located immediately east of US Route 13, adjacent to the Canal Street connector road; and

WHEREAS, SEPTA and PennDOT have agreed that SEPTA will acquire fee simple title to the Parcel #6 upon completion of PennDOT's reconstruction of US Route 13, for an appraised fair market value of $104,000; and

WHEREAS, staff requested that the General Manager recommend that the Board authorize SEPTA to acquire from PennDOT fee simple title to Parcel #6 for a fair market value of $104,000, under the terms as 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 acquire from the Pennsylvania Department of Transportation fee simple title to Parcel #6 identified within the pertinent staff summary, for a fair market value of $104,000, as set forth above and more fully described in the pertinent staff summary.

FURTHER RESOLVED, that the Board hereby authorizes the General Manager to execute all documents, in form approved by the Office of General Counsel, and to do any and all other things as shall be
deemed necessary and proper in order to effectuate the purpose of this Resolution.
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 Affordable Fire Protection, Inc., for mechanical construction services, for a total contract amount not to exceed $2,373,000; and to Mulhern Electric Company, for electrical construction services, for a total contract amount not to exceed $693,007, for the provision of all labor, materials, tools and equipment for the Allegheny Shop Fire Suppression System Project, with services to be performed over a period of 540 calendar days following issuance of Notice-to-Proceed, as described in the staff summary on this subject, Sealed Re-Bid No. 14-186-GFD and Sealed Bid No. 14-099-GFD - Allegheny Shop Fire Suppression System Project (CUP).

2. To Daniel Keating Construction, for general construction services, for a total contract amount not to exceed $11,275,000; and to Carr & Duff, Inc., for electrical construction services, for a total contract amount not to exceed $912,000, for the provision of all labor, materials, tools and equipment for the 69th Street West Terminal Improvement Project, with services to be performed over a period of 333 calendar days following issuance of Notice-to-Proceed, as described in the
staff summary on this subject, Sealed Bid No. 14-167-GFD - 69th Street West Terminal Improvement Project.

3. To Delaware Valley Concrete Co., Inc., for Zones 3, 5 and 6, for a total contract amount not to exceed $1,307,900; and to Action Supply Company, Inc., for Zones 4 and 7, for a total contract amount not to exceed $1,045,925, for the purchase of ready mixed concrete to be used for various projects throughout SEPTA's five county service area, with delivery of material scheduled on an "as required" basis over a period of three years commencing in October 2014, as described in the staff summary on this subject, Sealed Bid No. 14-168-JJC - Ready Mixed Concrete.

4. To T. Frank McCall's, for the purchase of 25,000 50-pound bags of calcium chloride to be used for melting snow and ice during the upcoming winter season, at a unit price of $11.78, with delivery of material scheduled on an "as required" basis over a period of six months commencing in October 2014, as described in the staff summary on this subject, for a total contract amount not to exceed $294,500, Sealed Bid No. 14-172-JJC - Winter Salt Requirements - Calcium Chloride.

5. To Qual-Tran Products Company LLC, for the purchase of 36 current collectors to be used in the maintenance of the N-5
car fleet, at a unit price of $6,800, with delivery of material scheduled on an "as required" basis over a period of three years commencing in November 2014, as described in the staff summary on this subject, for a total contract amount not to exceed $244,800, Sealed Bid No. 14-133-MEC - Current Collectors for N-5 Cars.

6. To Walco Electric Company, for Items Nos. A1 and B2, for the basic overhaul of an estimated 300 GE 1259 Traction Motors for the Silverliner IV fleet, at a unit price of $2,595, along with additional overhaul work, with services to be performed on an "as required" basis over a period of three years commencing in November 2014, as described in the staff summary on this subject, for a total contract amount not to exceed $4,425,300, Sealed Bid No. 14-092-DLD - GE 1259 Traction Motor Overhaul of SL-IV Cars.

7. To James J. Anderson Construction Company, Inc., for general construction services, to provide all labor, materials and equipment for the Masonry Arch Bridge Rehabilitation Project Norristown Bridge 16.88 and Lansdale Bridges 13.10 and 22.93, with services to be performed over a period of 427 calendar days following issuance of Notice-to-Proceed, as described in the
staff summary on this subject, for a total contract amount not to exceed $1,860,000, Sealed Bid No. 14-178-JAB - Masonry Arch Bridge Rehabilitation Project Norristown Bridge 16.88 and Lansdale Bridges 13.10 and 22.93.

8. To Vossloh Track Materials, for Item No. 1, for the purchase of 56,885 rails to be used on various track renewal projects and general maintenance, at a unit price of $18.81, with delivery of material in November 2014, as described in the staff summary on this subject, for a total contract amount not to exceed $1,070,006.85, Sealed Bid No. 14-189-LSP - Rail.
RESOLUTION

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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 Kershaw, a Division of Progress Rail Services Corporation, for the purchase of non-stock track maintenance equipment parts to be used for the maintenance of ballast regulators, tie handlers and tie cribber, with delivery of material on an "as required, when requested" basis over a period of three years commencing in October 2014, as described in the staff summary on this subject, for a total contract amount not to exceed $75,000.

2. To Nordco, Inc., for the purchase of non-stock track maintenance equipment parts to be used for the maintenance of spikers, spike pullers, tie inserters and tie handlers, with delivery of material on an "as required, when requested" basis over a period of three years commencing in October 2014, as described in the staff summary on this subject, for a total contract amount not to exceed $75,000.

3. To Harsco Track Technologies, a Division of Harsco Corporation, for the purchase of non-stock parts to be used for the maintenance of tampers, ballast regulators, tie handlers, prime movers, rail grinders, tunnel washers and vacuum cars, with delivery of material on an "as required, when requested" basis over a period of three years commencing in October 2014,
and with authorization to SEPTA staff to extend the contract for a six (6) month period at no increase in cost, as described in the staff summary on this subject, for a total contract amount not to exceed $150,000.

4. To Bombardier Transportation (Holdings) USA, Inc., for the purchase of replacement parts for the M-4, N-5, LRV and Bombardier Push/Pull car fleets, with delivery of material on an "as required" basis over a period of five years commencing in October 2014, as described in the staff summary on this subject, for a total contract amount not to exceed $6,800,000.

5. To PRF USA, Inc., for the purchase of four different sizes of rolls of rubber flooring to be used in the maintenance of the Silverliner IV car fleet, with delivery of material scheduled in December 2014, as described in the staff summary on this subject, for a total contract amount not to exceed $34,310.

6. To Dellner, Inc., for the purchase of 20 electric couplers to be used for the replacement of un-repairable units for the on-going Vehicle Overhaul (VOH) Programs for the M-4 car fleet, at a unit price of $11,253, with delivery of material scheduled in April 2015, as described in the staff summary on
this subject, for a total contract amount not to exceed $225,060.

7. To Transtechnik Corp., USA, for the purchase of 10 double-ended blower motors to be used in the maintenance of the Silverliner IV car fleet, at a unit price of $6,192.30, with delivery of material scheduled in February 2015, as described in the staff summary on this subject, for a total contract amount not to exceed $61,923.

8. To Brookville Equipment Corporation, for the purchase of replacement parts to be used for the PCC II trolley fleet, with delivery of material on an “as required” basis over a period of three years commencing in October 2014, as described in the staff summary on this subject, for a total contract amount not to exceed $669,357.12.

9. To Systems Engineering Technologies Corporation (SyTech), for the provision of hardware and software upgrades to SEPTA’s Radio Interoperability System (RIOS) used by SEPTA’s Police Department, with services to be performed over a period of six weeks scheduled to commence in October 2014, as described in the staff summary on this subject, for a total contract amount not to exceed $45,630.04.
10. To Bombardier Transportation (Holdings) USA, Inc., for the provision of on-call technical support services, hardware and software for the Communication Based Train Control (CBTC) System in operation on trolley lines, to be performed over a period of three years scheduled to commence retroactive effective as of August 1, 2014, as described in the staff summary on this subject, for a total contract amount not to exceed $744,481.

11. To GE Transportation Systems Global Signaling, LLC, for the provision of maintenance and support of the RailEdge Audio Visual Public Address (AVPA) Software System, with services to be performed over a period of three years scheduled to commence retroactive effective as of July 1, 2014, as described in the staff summary on this subject, for a total contract amount not to exceed $294,000.
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 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 Transport Solutions, Inc. (a Division of Xerox Corporation), for Change Order No. 6, which provides for 200 additional media information displays for the Regional Rail as part of the New Payment Technologies (NPT) System Program, at an increase in cost not to exceed $1,076,512, bringing the total
contract price, including all change orders to date, to an amount not to exceed $130,255,132.

2. To Mulhern Electric Company, for Change Order No. 2, which provides for additional equipment to be installed as part of the City Hall Station Renovation Project - Dilworth Plaza Phase, at an increase in cost not to exceed $69,557, bringing the total contract price, including all change orders to date, to an amount not to exceed $1,859,757, 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, 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 Dolan Mechanical Inc., for Change Order No. 3, which provides for additional mechanical construction work and materials for the City Hall Station Renovation Project - Dilworth Plaza Phase, at an increase in cost not to exceed $40,028, bringing the total contract price, including all change order to date, to an amount not to exceed $267,283, 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, 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".