1. Approval of Minutes of the Regular Board Meeting of June 24, 2021

2. Financial Report

3. Resolutions

I. Election Not to Hold a Regular Meeting of the Board in the Month of August 2021 and Cancellation of the Regular and Special Meetings for the Board Scheduled for August 26, 2021

II. Election to Move Back the Regular Meeting of the Board in the Month of September 2021 Scheduled for September 23, 2021

III. Administration Committee Review

A. Authorization to Purchase Stop Loss Insurance for Medical and Prescription Drug Benefits with Granular Insurance Company

B. Award of Contract Pursuant to a Request for Proposal

IV. Operations Committee Review

A. Lease by SEPTA to M&H1 LLC for a Portion of the Concourse of the 1234 Market Street Headquarters Building

B. Authorization to Award of Contracts for Various Procurements

C. Award of Contracts for Sole Source Procurements

D. Authorization to Execute Change Orders and Amendments

4. Report of General Manager
RESOLUTION

re

ELECTION NOT TO HOLD A REGULAR MEETING OF THE BOARD IN THE MONTH OF AUGUST 2021 AND CANCELLATION OF THE REGULAR AND SPECIAL MEETINGS OF THE BOARD SCHEDULED FOR AUGUST 26, 2021

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 2021.

NOW, THEREFORE, BE IT RESOLVED, that the Board will not hold a regular meeting in the month of August 2021.

FURTHER RESOLVED, that the Board hereby cancels the regular and special meetings that are scheduled to be held on August 26, 2021.
RESOLUTION
re
ELECTION TO MOVE BACK THE REGULAR MEETING OF THE BOARD IN THE MONTH OF SEPTEMBER 2021 SCHEDULED FOR SEPTEMBER 23, 2021

WHEREAS, under Section 3.02 of the By-Laws the Board, by prior consent of two-thirds vote of its members then in office and upon ten (10) days prior notice, may elect to hold a regular meeting for any month on a day other than the day on which the meeting is regularly scheduled; and

WHEREAS, due to the Jewish high holiday of Yom Kippur falling on September 15-16, 2021, the Chairman has recommended to move back and hold the Board’s Administration Committee and Operations Committee meetings on September 23, 2021; and

WHEREAS, as a result thereof, staff has proposed moving the regularly scheduled September Board meeting from September 23, 2021 back to September 30, 2021; and

NOW, THEREFORE, BE IT RESOLVED, that in recognition of the Jewish holiday of Yom Kippur as described hereinabove, the Board hereby elects to hold its regular meeting for the month of September 2021 on September 30, 2021.
RESOLUTION

re

AUTHORIZATION TO PURCHASE STOP LOSS INSURANCE FOR MEDICAL AND PRESCRIPTION DRUG BENEFITS WITH GRANULAR INSURANCE COMPANY

WHEREAS, effective August 1, 2020 SEPTA purchased its self-insured formal Stop Loss Insurance arrangement for medical/health coverage administered by Independence Blue Cross ("IBC"), as well as employee prescription benefits administered through CVS Health (formerly CVS/Caremark), from HCC, a subsidiary of Tokyo Marine (formerly National Union Fire Company, an AIG subsidiary), covering over 25,000 lives (including employees and certain retirees, spouses and dependents), which included a "Specific Deductible" of $600,000 or higher per person; and

WHEREAS, part of said self-insured program is a "stop-loss" insurance contract covering catastrophic or "shock claims"; and

WHEREAS, the current stop loss insurance coverage with HCC was for a one-year period expiring on July 31, 2021, at an estimated annual premium (based upon present headcount) of $3,771,885 (exclusive of IBC administrative and other fees),
along with a $1.6 million “laser” (higher specific deductible which only triggers when the claimant exceeds the laser amount; and

WHEREAS, during the past 9 month period SEPTA has experienced 20 claims that exceeded $300,000 each, with three of those claims having exceeded SEPTA’s Specific Deductible of $6000,000, including one specifically covered claimant that exceeded said deductible by more than $500,000 with three more months to be reported in the plan year; and

WHEREAS, SEPTA’s broker/consultant Brown & Brown/Innovative Risk Solutions, Inc. reached out to 16 stop-loss carriers for renewal coverage quotes, of which only five firms submitted bids; and

WHEREAS, the Best and Final Offer (BAFO) from incumbent insurer HCC has an annual premium of $4,111,185 (nine percent greater than its current premium) requiring SEPTA to self-insure up to the to the lasers on two specific covered individuals; and

WHEREAS, HCC has also proposed to maintain its Experience Rating Credit Projection reimbursement of up to ten percent (10%) of paid premiums if the Authority’s “loss ratio” is less than seventy percent (70%) during the 2020/2021 Plan Year if
renewed in 2021, which represents a projected reimbursement of $332,000; and

WHEREAS, the BAFO quoted by Granular Insurance Company (“Granular”) has an annual premium of $3,828,435 with a $1.6 laser and does not offer the aforementioned HCC reimbursement program, but is considered more favorable since the overall costs are lower than those of HCC when considering all components of the Stop Loss Insurance Program; and

WHEREAS, IBC will continue to charge $1.50 per employee per month for coordination which is estimated to cost $169,650 based upon 9,425 covered employees and pre-65 retirees; and

WHEREAS, with the concurrence of the Administration Committee of the Board, staff requested the General Manager/CEO recommend that the Board authorize SEPTA to purchase Stop Loss Insurance from Granular under the terms and conditions that are set forth above and more fully described in the pertinent staff summary; and

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

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes SEPTA to purchase Stop Loss Insurance coverage from
Granular Insurance Company under the terms and conditions that are set forth within the pertinent staff summary.

FURTHER RESOLVED, that the coverage will cover both medical and prescription drug claims incurred from August 1, 2021 through July 31, 2022 at an estimated annual premium of $3,828,435, along with IBC administrative costs of $1.50 per employee per month for an estimated total of $169,650 (based upon 9,425 covered employees and pre-65 retirees), with the actual costs to be determined by specific monthly covered lives and will be paid monthly.

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 CONTRACT
PURSUANT TO A REQUEST FOR PROPOSAL

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/Chief Executive Officer recommend that the Board authorize the award of the contract to the firm listed below because said firm was the successful proposer in the areas for which the request for proposals was issued; and

WHEREAS, the General Manager/Chief Executive Officer 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/Chief Executive Officer or her designee to execute the following contract, 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 requests for proposals,
including the provision of any required insurance certificates
and full compliance with any applicable Disadvantaged Business
Enterprise (DBE) requirements:

1. To The Flynn Company, for the provision of day-to-day
management pertaining to the operation, maintenance, janitorial
services, state of repair, aesthetic appeal, protection,
accounting and leasing for SEPTA’s headquarters building at 1234
Market Street, with services to be performed over a base term of
five years commencing in August 2021, along with one two-year
renewal option to be exercised at SEPTA’s sole discretion, with
funding for the contract being obtained directly from the
revenues received via the leasing of space in the building, as
described in the staff summary on this subject, for a total
contract amount not to exceed $2,804,461.20, Request for
Proposals No. 21-00019-ACAC - Property Management and Leasing
Services.
RESOLUTION

re

LEASE BY SEPTA TO M&H1 LLC FOR A PORTION OF THE CONCOURSE OF THE 1234 MARKET STREET HEADQUARTERS BUILDING

WHEREAS, SEPTA owns the headquarters building located at 1234 Market Street ("Building"), and in the concourse level thereof is 660 rentable square feet of space ("Demised Premises") which has been used over the years as a newsstand convenience store that serves the daily merchandise needs of all visitors and occupants traversing through the Building; and

WHEREAS, on December 21, 2006, the Board authorized SEPTA to enter into a lease agreement with Tobmar International Inc. ("Tobmar"), doing business as Gateway Newsstands, to lease the Demised Premises, which was subsequently amended by authorization of the Board on September 22, 2016; and

WHEREAS, in 2020 Tobmar liquidated its business, thereby causing the Demised Premises to be presently vacant; and

WHEREAS, SEPTA’s current contracted management/leasing broker for 1234 Market Street, The Flynn Company, has negotiated a lease agreement ("Lease") with a viable tenant for the Demised Premises, M&H1 LLC ("Tenant"), the owners of which have experience as news
stores specialists and have operated in this segment of the market for over ten years; and,

WHEREAS, the proposed Lease reflects a base term of ten (10) years and six (6) months commencing on September 1, 2021 and terminating on February 28, 2032; and

WHEREAS, the Lease will also provide that the Tenant may exercise one five-year renewal option at an annual rental rate equal to 100% of the then current fair market value (FMV); and

WHEREAS, base rent shall start at the annual rate of $60 per square foot (or $39,600), with annual increases thereafter of three percent (3%) throughout the term of the Lease, with six months of initial free rent; and

WHEREAS, the said rental amount includes operating expenses and real estate taxes projected at $11.73 per square foot (or $7,741.80) for 2021; and

WHEREAS, the Tenant will be responsible for all increases of operating expenses over the 2021 base year and maintain the Demised Premises, as well as pay for electric consumption based upon actual sub-metered usage; and

WHEREAS, pursuant to SEPTA’s broker management contract with The Flynn Company, the Lease will call for a three percent (3%) commission payment of $13,823.37 to be paid to The Flynn Company; and
WHEREAS, the proposed tenancy will result in generating a minimum of $460,779.17 in gross income and $362,336.89 in net income over the entire base term, which will help offset building operating expenses projected at approximately $330,000 per year, which are fixed/sunk costs that continue to be incurred even if the Demised Premises were vacant; and

WHEREAS, the new Lease contemplated hereunder will provide a consistent cashflow and offer a much-needed amenity to visitors, SEPTA staff and occupants of the Building in the lower concourse which is historically more difficult to attract tenancy because of its lack of frontage and visibility; and

WHEREAS, staff requested that the General Manager/CEO recommend that the Board authorize SEPTA to enter into the proposed Lease with the Tenant to operate the Demised Premises as a newsstand convenience store 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 proposed lease agreement to the by which SEPTA will lease to M&H1 LLC 660 rentable square feet of space in the concourse of SEPTA’s headquarters building at 1234
Market Street for a base term of ten years and six months commencing on September 1, 2021 and terminating on February 28, 2032, along with one five-year renewal option, under the terms and conditions set forth within the pertinent staff summary.

FURTHER RESOLVED, that the Board hereby authorizes the General Manager/CEO or her 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.
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 invitations for bids; and

WHEREAS, staff requested that the General Manager/Chief Executive Officer recommend that the Board authorize SEPTA to award the contracts identified below; and

WHEREAS, the General Manager/Chief Executive Officer made the recommendation to the Board.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes SEPTA to award and for the General Manager/Chief Executive Officer or her 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 L.B. Foster Company, for the (i) purchase of 80,000 linear feet of new steel tee rails and fixed plant electric-flash butt welding thereof into continuous welded rail (CWR) strings; (ii) delivery of the CWR strings to SEPTA via rail train; and (iii) unloading of the CWR strings from the rail train onto SEPTA’s right-of-way, with services to be performed over a period of 142 calendar days after issuance of Notice-to-Proceed and deliveries in the fourth quarter of CY 2021, as described in the staff summary on this subject, for a total contract amount not to exceed $1,933,000, Sealed Bid No. 21-00116-ARIB - CWR Fabrication and Rail Train Delivery.

2. To Globe Electric Supply Co., Inc., for the purchase of 230 wireless modems for PPS and Mid SEPTA Key System equipment to replace existing Sierra modems (GX440 and GX450) reaching the end of their life and support, at a unit price of $550.80, with delivery of material commencing in August 2021, as described in the staff summary on this subject, for a total contract amount not to exceed $126,684, Sealed Bid No. 21-00124-ARIB - Wireless Modems for PPS and Mid SEPTA Key Equipment.
3. To (i) A.P. Construction, Inc., for general construction services, for a total contract amount not to exceed $2,535,800; (ii) Herman Goldner Co., Inc., for mechanical construction services, for a total contract amount not to exceed $1,360,000; and (iii) Carr & Duff Inc., for electrical construction services, for a total contract amount not to exceed $224,800, for the provision of all labor, materials, tools and equipment for renovations on the 69th Street Terminal HVAC & MFL Canopy Project, with services to be performed over a period of 204 calendar days after issuance of Notice-to-Proceed, as described in the staff summary on this subject, Sealed Bid No. 21-00080-ADIM - 69th St. Terminal HVAC & MFL Canopy Project.
RESOLUTION

re

AWARD OF 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/Chief Executive Officer 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/Chief Executive Officer or her 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 vendors/contractors satisfactorily providing any required bonds, insurance certificates and/or other documents, and complying with any applicable Disadvantaged Business Enterprise requirements:
1. To Knorr Brake Company, for the overhaul, testing and calibration of 15 Siemens CCBII air brake systems and related components on the ACS-64 locomotive fleet which are coming due for their mandated five-year overhaul, with services expected to commence immediately after issuance of Notice-to-Proceed and continue through October 2023 until all locomotives are overhauled, as described in the staff summary on this subject, for a total contract amount not to exceed $1,297,260, Sole Source No. 21-00145-AMUD - ACS-64 Locomotive Air Brake Overhauls.

2. To CODY Computer Services, Inc., for the upgrade of the Transit Police Records Management (RMS) and Computer Aided Dispatch (CAD) System to replace the current system which is no longer supported by the original manufacturer, with services to be performed over a period of four years commencing on August 1, 2021, as described in the staff summary on this subject, for a total contract amount not to exceed $1,205,243, Sole Source No. 21-00156-AJAC - CODY Systems Cloud-Based Records Management System.

3. To the Commonwealth of Pennsylvania PA Turnpike Commission, for the purchase of an E-Z Commercial Pass System service contract for utilization by SEPTA’s vehicles (including buses, tow and utility trucks, T-cars and selected supervisory
vehicles) to travel on the Pennsylvania Turnpike, with services to be provided over a period of three years scheduled to commence in August 2021, as described in the staff summary on this subject, for a total contract amount not to exceed $720,000, Sole Source No. 21-00137-AHAC - E-Z Commercial Pass System.

4. To Bombardier Transportation Holdings USA, Inc., for the provision of field testing services of new superseded Norming Point Readers (NPR) to be used on the LRV fleet and purchase of 20 NPRs following successful testing, at a unit prices of $65,000 for the testing and $12,891 per NPR, with field testing services expected to commence immediately after issuance of Notice-to-Proceed and delivery of material expected within 120 days of validation, as described in the staff summary on this subject, for a total contract amount not to exceed $322,820, Sole Source No. 21-00120-AMUD - Norming Point Readers Testing and Units.

5. To Westinghouse Air Brake Technology Corporation d/b/a Wabtec Global Services, for the purchase of currently stocked replacement parts to be used for the vehicle overhaul (VOH) programs for the Silverliner IV, Silverliner V, B-IV, N-5 and LRV rail car fleets, with delivery of material on an “as required” basis over a period of three years commencing in
August 2021, as described in the staff summary on this subject, for a total contract amount not to exceed $2,300,183, Sole Source No. 21-00159-ASTC - Westinghouse Replacement Parts Blanket.

S/Corp/Resolutions/RES-JULY-2021-Sole-Sources
RESOLUTION

re

AUTHORIZATION TO EXECUTE CHANGE ORDERS AND 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/Chief Executive Officer 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/Chief Executive Officer or her designee to execute the change orders and 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 Walsh Construction Company II, LLC, for Change Order No. 14, which provides for additional general construction work due to unforeseen conditions and changes/credits requested by the EM&C Division on the Elwyn to Wawa R3-2 ROW Improvement Project, at a net increase in cost not to exceed $895,561, bringing the total contract price, including all change orders
to date, to an amended contract amount not to exceed $85,870,441.

2. To Walsh Construction Company II, LLC, for Change Order No. 3, which provides for a delay claim settlement on the R3-3 - Wawa Station and Lenni Yard Buildings Construction Project, at an increase in cost not to exceed $791,990, bringing the total contract price, including all change orders to date, to an amended contract amount not to exceed $41,766,531, 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 Westcott Electric Company, for Change Order No. 2, which provides for additional electrical construction work and changes required by PECO on the Elwyn to Wawa R3-3 Wawa Station and Lenni Yard Buildings Project, at an increase in cost not to exceed $411,482, bringing the total contract price, including all change orders to date, to an amended contract amount not to exceed $6,250,212, 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."

4. To Hitachi Rail STS, USA (formerly Ansaldo STS, USA), for Change Order No. 3, which provides for changes requested by the EM&C Division for additional work, materials and relocation of existing equipment pertaining to the design/installation of the new Communications Based Train Control (CBTC) System for the Media–Sharon Hill Line, at an increase in cost not to exceed $1,752,874, bringing the total contract price, including all change orders to date, to an amended contract amount not to exceed $58,357,385.

5. To Hitachi Rail STS, USA (formerly Ansaldo STS, USA), for Change Order No. 11, which provides for changes requested by the EM&C Division to accommodate requirements imposed by the FRA on the Pennsylvania Northeast Railroad (which operates over SEPTA property) under the contract to design, furnish and install a new Positive Train Control (PTC) System for the RRD lines, at an increase in cost not to exceed $2,831,528, bringing the total contract price, including all change orders to date, to an amended contract amount not to exceed $118,156,734.
6. To Conduent, Inc., for Change Order No. 25, which provides for various changes under the New Payment Technologies (NPT) Systems/Key Program contract consisting of (i) registered Email access; (ii) creating PINs for Interactive Voice Response (IVR) access; (iii) bulk hot listing of Key cards; (iv) Partner Portal order date/sales window exception; (v) deposit receipts pertaining to damaged quick trip serial numbers; and (vi) modifying the AirVantage + Zuul monitoring features, at an increase in cost not to exceed $408,743, bringing the total contract price, including all change orders to date, to an amended contract amount not to exceed $208,083,605.

7. To INFOR (US), Inc., for Amendment No. 3, which provides for a five-year workforce management (WFM) licensing subscription for the INFOR E-Series suite of mainframe software which is the foundation of SEPTA’s payroll, accounts payable/receivable, fixed assets general ledger and Human Resources business processes, at an increase in cost not to exceed $1,750,000, bringing the total contract price, including all amendments to date, to an amended contract amount not to exceed $11,720,483.70.

8. To (i) American Continental Group, LLC, at an increase in cost not to exceed $10,000, for a total amended total contract not to exceed $790,000; (ii) SBL Strategies, LLC, at an
increase in cost not to exceed $8,000, for a total amended contract amount not to exceed $632,000; and (iii) Duane Morris Governmental Strategies, LLC, at an increase in cost not to exceed $16,000, for a total amended contract amount not to exceed $1,144,000, for Amendment No. 3, which provides for a one-month time extension (with additional funding) of the three contracts to provide federal legislative consultant services to represent the Authority’s interests before the White House and appropriate Federal departments and agencies, and also facilitate the award by SEPTA of new contracts under the pending RFP solicitation, thereby establishing new contract completion dates of September 30, 2021 for each contract.

9. To Gannett Fleming, Inc., for Amendment No. 4, which provides for changes due to unforeseen conditions, out-of-scope work and coordination with outside agencies regarding compliance with the National Environmental Policy Act (NEPA) on the 30th to K Overhead Contact System (OCS) and Structures Replacement Project, at an increase in cost not to exceed $485,410, bringing the total contract price, including all amendments to date, to an amended contract amount not to exceed $6,424,092.