SUMMARY STATEMENT

ITEM NO.: PATCO-13-004
SUBJECT: Consideration of Pending PATCO Contracts (Between $25,000 and $100,000)

COMMITTEE: New Business

COMMITTEE MEETING DATE: N/A

BOARD ACTION DATE: February 20, 2013

PROPOSAL: That the Board consider authorizing staff to enter into contracts as shown on the Attachment to this Resolution.

PURPOSE: To permit staff to continue and maintain PATCO operations in a safe and orderly manner.

BACKGROUND: At the Meeting held August 18, 2010 the PATCO Commission adopted Resolution 10-046 providing that all PATCO contracts must be adopted at an open meeting of the PATCO Board. The Board proposed modifications to that Resolution at its meeting of September 15, 2010; specifically that all contracts between $25,000 and $100,000 be brought to the Board for approval. The contracts are listed on the Attachment hereto with the understanding that the Board may be willing to consider all of these contracts at one time, but if any member of the Board wishes to remove any one or more items from the list for separate consideration, each member will have that privilege.

SUMMARY:

Amount: N/A
Source of Funds: See Attached List
Capital Project #: N/A
Operating Budget: N/A
Master Plan Status: N/A
Other Fund Sources: N/A
Duration of Contract: N/A
Other Parties Involved: N/A
RESOLUTION

RESOLVED: That the Board authorizes and directs that subject to approval by counsel and the Chief Executive Officer, staff proceed to negotiate and enter into the contracts listed on the Attachment hereto.

SUMMARY:

- Amount: N/A
- Source of Funds: See Attached List
- Capital Project #: N/A
- Operating Budget: N/A
- Master Plan Status: N/A
- Other Fund Sources: N/A
- Duration of Contract: N/A
- Other Parties Involved: N/A
<table>
<thead>
<tr>
<th>Item #</th>
<th>Vendor/Contractor</th>
<th>Description</th>
<th>Amount</th>
<th>Procurement Method</th>
<th>Bids Received</th>
<th>Bid</th>
<th>Source of Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>ITT Enidine Industries</td>
<td>Purchase of vertical and lateral and shock absorbers and connecting links for maintenance of PATCO Transit Cars.</td>
<td>$25,806.40</td>
<td>Sole Source purchase of vertical and lateral shock absorbers and connecting links for the maintenance of PATCO Transit Cars. Please see attached Sole Source Memo for justification.</td>
<td>1. ITT Enidine Industries, Pittsburgh, Pa.</td>
<td>$25,806.40</td>
<td>General Fund</td>
</tr>
</tbody>
</table>
MEMORANDUM

PORT AUTHORITY TRANSIT CORPORATION

TO: John Rink, PATCO General Manager
FROM: John Shea, Director, Equipment Maintenance

SUBJECT: Sole Source Purchase of Shock Absorbers and related hardware for the maintenance of PATCO Transit Cars.

DATE: January 23, 2013

In consonance with PATCO Procurement Procedures, this sole source purchase will be for ITT Enidine shock absorbers and related hardware for the maintenance of PATCO Transit Cars. ITT Enidine or its predecessor companies are the Original Equipment Manufacturer (OEM), since the transit cars were new only ITT Enidine has supplied these parts. These shock absorbers are designed to fit a specific bolt pattern on the bolster. We do not know of any other supplier of this type of rotary hydraulic shock absorber. These shock absorbers are used to dampen motion in the truck and bolster, and they are critical safety components. In order to solicit supplies, who may exist, but are unknown to PATCO, a specification would have to be written describing the dynamic accelerations undergone by the truck. We do not have such engineering expertise in house.

This sole source purchase will include the following:

- 44A0403, Shock Absorber, Vertical Control: 16 x $668.93 = $10,702.88
- 44A402, Shock Absorber, Lateral Control: 18 x $668.93 = $10,732.88
- 44A0403A, Connecting Link for 44A0403: 16 x $130.18 = $2,082.88
- 44A6192A, Connecting Link for 44A6192: 16 x $144.66 = $2,314.16

The total cost of this purchase will be in the amount of $26,806.40.

John Shea, Director of Car Equipment

John Rink, General Manager of PATCO

John Hanson, DRPA CEO

[Approval/Signature based on justification provided in this memo]