### SUMMARY STATEMENT

**ITEM NO.**

**SUBJECT:** Purchase and Delivery of Head Hardened Rail for PATCO

**COMMITTEE:** Operations & Maintenance

**COMMITTEE MEETING DATE:** June 11, 2008

**BOARD ACTION DATE:** July 16, 2008

**PROPOSAL:**
That the Board of Commissioners authorizes staff to negotiate a contract with Progress Rail Services of Reading, Pa, for the purchase and delivery of Head Hardened Rail.

**Amount:** $837,682.56 (80% Federal Transit Administration, 20% DRPA)

**Contractor:** Progress Rail Services, Reading, Pa

**Other Bidders:**
- Vossloh Track Material, Reading, Pa: $840,574.80
- L.B. Foster, Pittsburgh, Pa: $858,943.80
- A & K Railroad, McMurray, PA: $870,363.00
- Unitrac Railroad, Knoxville, TN: $885,620.73
- MRT Track & Service, Bloomfield, NJ: $899,575.50
- CMI-Promex, Inc, Pedrickton, NJ: $1,179,843.80
- G. W. Peoples, Eighty –Four, PA: No bid

**PURPOSE:**
To replace existing subway rail in the subway tunnel, on both the eastbound and westbound tracks. The existing rail has been in service since the construction of PATCO and is worn to the extent that it needs to be replaced. The rail will be installed by PATCO.

**BACKGROUND:**
The 2008 Capital Budget includes funds for the continuing program of upgrading the existing track throughout the system. This project includes the replacement of the rail in the Subway. The rail has been in service since the time PATCO was constructed, and is need of replacement due to wear resulting from forty years of service. This rail is essential to the operation of PATCO and needs to be replaced. The existing rail will be removed and the new rail will be installed by PATCO in –house personnel.
On May 16, 2008, Requests for Bid were sent to fifteen (15) suppliers potentially capable of providing this material. The procurement was also publicly advertised on the DRPA web site from May 16, 2008 through June 6, 2008.

The Bid Opening occurred on June 6, 2008. Eight (8) responses were received including one (1) no bid. The low bid was submitted by Progress Rail Services of Reading, Pa in the total amount of $837,682.56.

It is recommended that a contract be negotiated for the purchase and delivery of Head Hardened Rail with Progress Rail Services of Reading, Pa in the total amount of $837,682.56. Upon approval of the Board, a contract will be negotiated with Progress Rail Services of Reading, Pa. to provide the rail as required.

<table>
<thead>
<tr>
<th>SUMMARY:</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Source of Funds:</td>
<td>1999 Revenue Bonds (DRPA Share)</td>
</tr>
<tr>
<td>Capital Project#:</td>
<td>PF9602 ($167,536.51 - 20% Local Share)</td>
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<tr>
<td>Operating Budget:</td>
<td>N/A</td>
</tr>
<tr>
<td>Master Plan Status:</td>
<td>N/A</td>
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<td>Other Fund Sources:</td>
<td>$670,146.04 (80% FTA Grant #NJ-90-0053 &amp; NJ-90-0055)</td>
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<tr>
<td>Duration of Contract:</td>
<td>N/A</td>
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<tr>
<td>Other Parties:</td>
<td>N/A</td>
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RESOLUTION

RESOLVED: That the Board hereby authorizes staff to negotiate a purchase agreement with Progress Rail and Services of Reading, Pa. for the purchase and delivery of Head Hardened Rail to be installed by PATCO in the subway tunnels for a total cost not to exceed $837,682.56; and be it further

RESOLVED: That the Chair, Vice Chair and the President must approve and are hereby authorized to approve and execute all necessary agreements, contracts, or other documents on behalf of the PATCO. If such agreements, contracts, or other documents have been approved by the Chair, Vice Chair and President and if thereafter either the Chair or Vice Chair is absent or unavailable, the remaining Officer may execute the said document(s) on behalf of PATCO. If both the Chair and Vice Chair are absent or unavailable, and any agreement or agreements need to be executed during their absence, then the President may execute on behalf of PATCO.

SUMMARY:  
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Capital Project #: PF9602 ($167,536.51 - 20% Local Share)
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Master Plan Status: N/A
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