SUMMARY STATEMENT

ITEM NO.: PATCO-13-009  SUBJECT: Consideration of Pending PATCO Contracts (Between $25,000 and $100,000)

COMMITTEE: New Business

COMMITTEE MEETING DATE: N/A

BOARD ACTION DATE: March 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 (N.T.E.)</th>
<th>Procurement Method</th>
<th>Bids Received</th>
<th>Bid Amounts (N.T.E.)</th>
<th>Source of Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Helwig Carbon Products Milwaukee, WI</td>
<td>Purchase rolling stock inventory of carbon brushes for DC traction motors for PATCO Operations.</td>
<td>$75,000.00</td>
<td>Sole Source Provider, see attached Sole Source Justification Memo marked as &quot;Exhibit 1&quot;</td>
<td>1. Helwig Carbon Products Milwaukee, WI</td>
<td>$75,000.00</td>
<td>General Fund</td>
</tr>
<tr>
<td>2</td>
<td>Bombardier Mass Transit Plattburgh, NY</td>
<td>Purchase rolling stock inventory of suspension system components for PATCO Operations.</td>
<td>$40,000.00</td>
<td>Sole Source Provider, see attached Sole Source Justification Memo marked as &quot;Exhibit 2&quot;</td>
<td>1. Bombardier Mass Transit Plattburgh, NY</td>
<td>$40,000.00</td>
<td>General Fund</td>
</tr>
<tr>
<td>3</td>
<td>Horne Products E. Farmingdale, NY</td>
<td>Purchase rolling stock inventory of third rail fuses and fuse boxes for PATCO Operations.</td>
<td>$30,000.00</td>
<td>Sole Source Provider, see attached Sole Source Justification Memo marked as &quot;Exhibit 3&quot;</td>
<td>1. Horne Products E. Farmingdale, NY</td>
<td>$30,000.00</td>
<td>General Fund</td>
</tr>
<tr>
<td>4</td>
<td>Vapor Stone Rail Systems St. Laurent, QU</td>
<td>Purchase rolling stock inventory of relays and control devices for train car door systems and HVAC controls for PATCO Operations.</td>
<td>$30,000.00</td>
<td>Sole Source Provider, see attached Sole Source Justification Memo marked as &quot;Exhibit 4&quot;</td>
<td>1. Vapor Stone Rail Systems St. Laurent, QU</td>
<td>$30,000.00</td>
<td>General Fund</td>
</tr>
<tr>
<td>5</td>
<td>American Foundry Group Bixby, OK</td>
<td>Purchase rolling stock inventory of third rail train car shoes for PATCO Operations.</td>
<td>$30,000.00</td>
<td>Sole Source Provider, see attached Sole Source Justification Memo marked as &quot;Exhibit 5&quot;</td>
<td>1. American Foundry Group Bixby, OK</td>
<td>$30,000.00</td>
<td>General Fund</td>
</tr>
<tr>
<td>6</td>
<td>Barber Spring Company Greensberg, PA</td>
<td>Purchase rolling stock inventory of side bearing rubber shock pads for PATCO Operations.</td>
<td>$60,000.00</td>
<td>Sole Source Provider, see attached Sole Source Justification Memo marked as &quot;Exhibit 6&quot;</td>
<td>1. Barber Spring Company Greensberg, PA</td>
<td>$60,000.00</td>
<td>General Fund</td>
</tr>
<tr>
<td>7</td>
<td>Bergen Upholstery Teterboro, NJ</td>
<td>Purchase rolling stock inventory of seat covers for PATCO Operations.</td>
<td>$30,000.00</td>
<td>Sole Source Provider, see attached Sole Source Justification Memo marked as &quot;Exhibit 7&quot;</td>
<td>1. Bergen Upholstery Company Teterboro, NJ</td>
<td>$30,000.00</td>
<td>General Fund</td>
</tr>
</tbody>
</table>
MEMORANDUM

PORT AUTHORITY TRANSIT CORPORATION

of Pennsylvannia & New Jersey

TO: John Rink, General Manager
FROM: John Shea, Director of Equipment
SUBJECT: Sole Source Vendor Approval – Helwig Carbon Products – CY 2013
DATE: February 28, 2013

In conformance with PATCO Procurement Procedures, this sole source approval will be for the purchase of brushes for traction motors from Helwig Carbon Products for CY 2013. Carbon brushes are used in the train car’s DC traction motors. Brush grades and manufacturers cannot be mixed without safety implications and performance issues.

These components are stored in inventory and are withdrawn when required to make a repair. Once the inventory count reaches a minimum quantity, a re-order is placed with the vendor and the components procured.

This approval will be for a not-to-exceed cost of $75,000.00 for CY 2013, for purchase of brushes for traction motors from Helwig Carbon Products in order to maintain PATCO’s equipment.

John Shea, Director of Equipment
John Rink, General Manager of PATCO
John Hanson, DRPA/PATCO CFO
John Mathews, PATCO President

Exhibit 1
MEMORANDUM

PORT AUTHORITY TRANSIT CORPORATION
of Pennsylvania & New Jersey

To: John Rink, General Manager
From: John Shea, Director of Equipment
Subject: Sole Source Vendor Approval — Bombardier Mass Transit Corp. — CY 2013
Date: February 28, 2013

In conformance with PATCO Procurement Procedures, this sole source approval will be for the purchase of train suspension components from Bombardier Mass Transit Corporation for CY 2013. Bombardier bought the rights to PATCO’s car design from The Budd Company and is their successor as OEM. Components purchased from Bombardier are elastomeric bumpers and snubbers for the car’s suspension system; they are critical safety components.

These components are storeroom inventory and are withdrawn when required to make a repair. Once the inventory count reaches a minimum quantity, a re-order is placed with the vendor and the components procured.

This approval will be for a not-to-exceed cost of $40,000.00 for CY 2013, for purchase of suspension components from Bombardier Mass Transit Corporation in order to maintain PATCO’s equipment.

John Shea, Director of Equipment

John Rink, General Manager of PATCO

John Hanson, DEFA/PATCO CIO

John Mathiessen, PATCO President

EXHIBIT 2
MEMORANDUM

PORT AUTHORITY TRANSIT CORPORATION
of Pennsylvania & New Jersey

TO: John Rink, General Manager
FROM: John Shea, Director of Equipment
SUBJECT: Sole Source Vendor Approval - Home Products—CY 2013
DATE: February 28, 2013

In conformance with PATCO Procurement Procedures, this sole source approval will be for the purchase of third rail fuses and fuse boxes from Home Products. Home Products provides third rail fuses, fuse boxes and associated hardware which are designed to fit into specific bolt patterns on the train car’s trucks. There are no alternate suppliers or sources known for these materials.

These components are storeroom inventory and are withdrawn when required to make a repair. Once the inventory count reaches a minimum quantity, a re-order is placed with the vendor and the components procured.

This approval will be for a not-to-exceed cost of $30,000.00 for CY 2013, for purchase of third rail fuses, fuse boxes and associated hardware from Home Products in order to maintain PATCO’s equipment.

John Shea, Director of Equipment
John Rink, General Manager of PATCO
John Hanson, DRPA/PATCO CFO
John Mathionser, PATCO President

EXHIBIT 3
MEMORANDUM

PORT AUTHORITY TRANSIT CORPORATION
of Pennsylvania & New Jersey

To: John Rink, General Manager
From: John Shea, Director of Equipment
Subject: Sole Source Vendor Approval - Vapor Stone Rail Systems - CY 2013
Date: February 28, 2013

In conformance with PATCO Procurement Procedures, this sole source approval will be for the purchase of relays and control devices from Vapor Stone Rail Systems for CY 2013. Vapor Stone Rail Systems provides relays and control devices for the train car door systems and HVAC controls. These components are designed to fit into specific sockets in these systems, and there are no alternate suppliers or sources for these materials.

These components are stored in inventory and are withdrawn when required to make a repair. Once the inventory count reaches a minimum quantity, a re-order is placed with the vendor and the components procured.

This approval will be for a not-to-exceed cost of $30,000.00 for CY 2013, for purchase of relays and control devices from Vapor Stone Rail Systems in order to maintain PATCO’s equipment.

John Shea, Director of Equipment

John Rink, General Manager of PATCO

John Hansen, DRIIPA PATCO CFO

John Mulheusen, PATCO President

EXHIBIT 4
MEMORANDUM

PORT AUTHORITY TRANSIT CORPORATION
of Pennsylvania & New Jersey

To: John Rink, General Manager

FROM: John Shea, Director of Equipment

SUBJECT: Sole Source Vendor Approval - American Foundry Group – CY 2013

DATE: February 28, 2013

In conformance with PATCO Procurement Procedures, this sole source approval will be for the purchase of third rail shoes from American Foundry Group for CY 2013. American Foundry provides third rail shoes for train cars. The shoes are made from cast steel in a proprietary mold/pattern, not owned by PATCO. The third rail shoes are critical safety components of the train car.

These components are spare-room inventory and are withdrawn when required to make a repair. Once the inventory count reaches a minimum quantity, a re-order is placed with the vendor and the components procured.

This approval will be for a not-to-exceed cost of $30,000.00 for CY 2013, for purchase of third rail shoes from American Foundry Group in order to maintain PATCO's equipment.

John Shea, Director of Equipment

John Rink, General Manager of PATCO

John Hanson, DEPA/PATCO CFO

John Matheussen, PATCO President

EXHIBIT 5
MEMORANDUM

PORT AUTHORITY TRANSIT CORPORATION
of Pennsylvania & New Jersey

TO: John Rink, General Manager
FROM: John Shea, Director of Equipment
SUBJECT: Sole Source Vendor Approval - Barber Spring Company – CY 2013
DATE: February 28, 2013

In conformance with PATCO Procurement Procedures, this sole source approval will be for the purchase of side bearing rubber pads from Barber Spring Company for CY 2013. Barber Spring supplies side bearing rubber pads for the train car's truck. Barber Spring reverse-engineered these pads and manufactured a replacement, which has proven to be superior in service.

These components are storeroom inventory and are withdrawn when required to make a repair. Once the inventory count reaches a minimum quantity, a re-order is placed with the vendor and the components procured.

This approval will be for a not-to-exceed cost of $60,000.00 for CY 2013, for purchase of side bearing rubber pads from Barber Spring Company in order to maintain PATCO's equipment.

John Shea, Director of Equipment
John Rink, General Manager of PATCO
John Hanson, DRPA/PATCO CFO
John Matteussen, PATCO President

EXHIBIT 6
MEMORANDUM

PORT AUTHORITY TRANSIT CORPORATION
of Pennsylvania & New Jersey

To: John Rink, General Manager
From: John Shea, Director of Equipment
Subject: Sole Source Vendor Approval – Bergen Auto Upholstery Company – CY 2013
Date: February 28, 2013

In conformance with PATCO Procurement Procedures, this sole source approval will be for the purchase of seat covers for train cars from Bergen Auto Upholstery Company for CY 2013. Bergen Upholstery provides patterns for the several types of seats used on PATCO train cars. These patterns need to match the existing seat covers to provide uniformity. Bergen supplies the labor and facilities to sew the seat covers, as PATCO supplies the fabric.

These components are storeroom inventory and are withdrawn when required to make a repair. Once the inventory count reaches a minimum quantity, a re-order is placed with the vendor and the components procured.

This approval will be for a not-to-exceed cost of $30,000.00 for CY 2013, for purchase of seat covers from Bergen Auto Upholstery Company in order to maintain PATCO's equipment.

John Shea, Director of Equipment
John Rink, General Manager of PATCO
John Hanson, DRPA/PATCO CFO
John Matteusser, PATCO President

EXHIBIT 7