SUMMARY STATEMENT

ITEM NO.: PATCO-14-027  SUBJECT: Consideration of Pending PATCO Contracts (Between $25,000 and $100,000)

COMMITTEE: New Business

COMMITTEE MEETING DATE: N/A

BOARD ACTION DATE: June 19, 2014

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 the Chair, Vice Chair, General 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 Amounts</th>
<th>Source of Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Railroad Friction Products (Division of WABTEC) Laurinburg, NC</td>
<td>Purchase of two-thousand and eighty (2,080) brake shoes ($34.25 each) for maintenance on the PATCO Transit Cars.</td>
<td>$71,240.00</td>
<td>Sole Source Provider - see attached Sole Source Justification Memo marked as Exhibit “1”.</td>
<td>1. Railroad Friction Products (Division of WABTEC) Laurinburg, NC</td>
<td>1. $71,240.00</td>
<td>General Funds</td>
</tr>
</tbody>
</table>
MEMORANDUM: PURCHASES GREATER THAN $25,000
PORT AUTHORITY TRANSIT CORPORATION

TO: John Rink, GM-PATCO
    James White, Acting Chief Financial Officer
    John T. Hanson, CEO-DRPA/President-PATCO

FROM: Robert Traver, Acting, Division Director/Project Manager: Equipment

SUBJECT: SOLE SOURCE APPROVAL - Railroad Friction Products Corporation

PURCHASE REQUISITION:__________________________________________

DATE: Tuesday, May 20, 2014

Background:
Our commuter rail cars utilize brake shoes (45A0201) in conjunction with resistive motor braking to slow/stop trains. These friction brake shoes are a consumable item and are replaced when they reach the wear limit.

Justification for Proprietary/Sole Source:
Since 1996 we have been using this manufacturer's brake shoe as an integral part of our rail car friction brake system. This system is a critical safety item whereas the stopping distance and deceleration rate was measured and documented. Friction brake shoes are manufactured with different compositions and this causes different characteristics with-in the braking profile. Suitable substitutes may be available, however, verifying their performance is very labor intensive and they may cause an unintended consequence such as premature wheel wear. I recommend continuing to purchase these time proven brake shoes.

Cost:

2080 pieces @ $34.25 each; total of $71,240

Robert Traver, Acting Equipment Division Director

John Rink, GM-PATCO

James White, Acting CFO

John T. Hanson, CEO-DRPA/President-PATCO

5/23/14