SUMMARY STATEMENT

ITEM NO.: PATCO-15-006  SUBJECT: Consideration of Pending PATCO Contracts (Between $25,000 and $100,000)

COMMITTEE: New Business

COMMITTEE MEETING DATE: N/A

BOARD ACTION DATE: March 18, 2015

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>Ansaldo Batesburg, SC</td>
<td>Procurement and delivery of a two (2) Rail Switch Machines for PATCO Operations.</td>
<td>$27,251.74</td>
<td>Sole Source Provider, see attached Sole Source Justification Memo marked as Exhibit &quot;1&quot;.</td>
<td>1. Ansaldo Batesburg, SC</td>
<td>1. $27,251.74</td>
<td>General Funds</td>
</tr>
<tr>
<td>2</td>
<td>Midwest Industrial Supply Canton, OH</td>
<td>Procurement and delivery of zero gravity deicer fluid for PATCO 3rd Rail.</td>
<td>$50,000.00 (n.t.e.)</td>
<td>Emergency Procurement, see attached Emergency Procurement Justification Memo marked as Exhibit &quot;2&quot;. Emergency procurement executed in accordance with DRPA By-Laws Article XII C (8) – CEO Administrative Powers. Chairman and Vice Chairman approval was secured prior to emergency purchase.</td>
<td>1. Midwest Industrial Supply Canton, OH</td>
<td>1. $50,000.00 (n.t.e.)</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, Chief Financial Officer
    John T. Hanson, CEO-DRPA/ President-PATCO

FROM: William Shaw (Acting) Division Director/Project Manager: Way & Power

SUBJECT: SOLE SOURCE APPROVAL - Ansaldo

PURCHASE REQUISITION: R59255

DATE: Wednesday, February 11, 2015

Background:
In order to route/position revenue trains within Lindenwold Yard, a trailable switch point machine is required. This type of switch machine permits safe passage of trains within Lindenwold Yard routed along non-aligned routes.

Justification for Proprietary/Sole Source:
Ansaldo STS manufactures a trailable switch machine, type YM2000, which addressess the criteria listed above. PATCO only utilizes the YM2000 switch machine product for all trailable switch movements within Lindenwold Yard. This type of switch machine is not manufactured by any other vendor. All current engineering designs support this type of switch machine installation. The procurement of two (2) YM2000 switch machines were previously approved as part of the 2016 Capital budget. Purchase requisition # R59255 was established to procure the two YM2000 switch machines. I request that the amount of $27,251.74 be applied to procure the Ansaldo STS product.

Cost:
$27,251.74

William Shaw (Acting) Division Director
John Rink, GM-PATCO
James White, CFO
John T. Hanson, CEO-DRPA/ President-PATCO
MEMORANDUM: PURCHASES GREATER THAN $25,000

PORT AUTHORITY TRANSIT CORPORATION

TO: John Rink, GM-PATCO
   James White, CFO
   John T. Hanson, CEO-DRPA/President-PATCO

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

SUBJECT: Emergency Purchase Approval - Midwest Industrial Supply/Zero Gravity Deicer Fluid

PURCHASE REQUISITION:

DATE: Thursday, February 19, 2015

Background:
This deicer fluid prevents ice from forming on the electrified thirdrail. Ice acts as an insulator and prevents a constant transfer of electrical power. An intermittent loss of power causes excessive arcing that leads to accelerated thirdrail shoe wear. Additionally, an intermittent loss of power can strand passengers between stations. Thus, if ice is allowed to form PATCO will cease operations.

Justification for Emergency Purchase:
In December PATCO solicited bids for deicer fluid and a vendor offered us a new less expensive product. The manufactures data indicated their deicing fluid was suitable for rail application. Therefore, one tote of fluid was ordered for testing and validation. This tote was received on January 21 and the viscosity of this product is greater than our current deicing fluid. We have a concern of pump damage and/or dogging of our spray nozzles with this product. We believe the less expensive product is a viable option if we invest resources to determine the appropriate dispensing manor. However, the winter months are not the time to develop and prove an application strategy and our system could be severely compromised if this product fails at this time, with no back-up during winter. In late January a Sole Source memo was completed and executed for 1925 gallons, as I believed this quantity was enough for the winter months. At this time, we have enough fluid remaining for 1 or maybe 2 storms. This emergency purchase will ensure continuity of PATCO’s Operations will not be adversely affected and adequate deicing fluid will be on hand for remainder of this winter.

Cost:
Not to exceed $50,000

Robert Traver, Equipment ,Division Director

John Rink, GM-PATCO

James White, CFO

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