SUMMARY STATEMENT

ITEM NO.: PATCO-15-025
SUBJECT: Consideration of Pending PATCO Contracts (Between $25,000 and $100,000)

COMMITTEE: New Business

COMMITTEE MEETING DATE: N/A

BOARD ACTION DATE: August 19, 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
## Item 
<table>
<thead>
<tr>
<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>Prime Group Remediation, Inc. Philadelphia, PA</td>
<td>Emergency Procurement for Asbestos removal and encapsulation in seventy-six (76) non-overhauled cars.</td>
<td>$36,000.00</td>
<td>Emergency Procurement - see attached Emergency Procurement Memo marked as Exhibit &quot;1&quot;. Emergency procurement executed in accordance with DRPA By-Laws Article XIC (8) CEO Administrative Powers. Chairman and Vice Chairman approval was secured prior to emergency purchase.</td>
<td>1. Prime Group Remediation, Inc. Philadelphia, PA</td>
<td>$36,000.00</td>
</tr>
<tr>
<td>2</td>
<td>American Public Transportation Association (APTA) Washington, DC</td>
<td>Annual APTA Membership dues for PATCO. The American Public Transportation Association is the transit industry's trade organization. Its members include more than 300 transit systems from around the country. The benefits of the APTA membership include but are not limited to: peer reviews, safety audits, rail standards development, training, professional development workshops, expos and access to a wealth of national and international transit information.</td>
<td>$35,028.00</td>
<td>Membership - Membership dues are based on a transit system’s operating expenses for the most completed year. PATCO has been a member of APTA for many years and has benefited from the peer reviews and safety audits.</td>
<td>1. American Public Transportation Association (APTA) Washington, DC</td>
<td>$35,028.00</td>
</tr>
</tbody>
</table>
MEMORANDUM: PURCHASES GREATER THAN $25,000
PORT AUTHORITY TRANSIT CORPORATION

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

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

SUBJECT: Emergency Purchase Approval - Prime Group Remediation Inc

PURCHASE REQUISITION:

DATE: Thursday, June 25, 2015

Background:
The area above the passenger ceiling was coated with sound absorbing/insulating material that contained asbestos during manufacture. A majority of the asbestos containing material (ACM) was removed and the remaining portion was encapsulated several years ago. However, some encapsulated ACM has separated/risked peeling from the car skin and is exposed. The remaining ACM requires remediation to prevent any health issues due to exposure.

Justification for Emergency Purchase:
This issue was brought to management’s attention as a safety concern and all non-overhauled cars were inspected. 76 of 80 cars require various levels of work that include removal and/or encapsulation. The remaining ACM requires immediate action to prevent any issues regarding the health and safety of employees and passengers. Prime Group is familiar with PATCO facilities, rail cars and operational requirements, and has devised a schedule that will complete the work within four (4) weeks of contract award. Work will be performed on four (4) cars per night and the cars will be completed in time for morning rush hour usage. Therefore, I request Prime Group Remediation Inc, as a sole source vendor for this work due to their extensive knowledge/experience/familiarity of working on our rail cars. Prime Group Remediation has proven their ability to quickly and correctly complete abatement work. Thus, expeditiously mitigating the health and safety issues presented by the exposure to asbestos.

Cost:
Cost not to exceed $30,000. This cost is for all OEM cars that will be on PATCO property after June 30, 2015. We are not shipping cars to Alstom or receiving cars from Alstom in July, 2015 and we will work the cars that are scheduled to remain at PATCO the longest first. Therefore, it is probable that a few cars on the list will be shipped to Alstom before they can be worked, and costs reduced.

Robert Traver, Equipment Division Director

John Rink, GM-PATCO

James White, CFO

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