

SUMMARY STATEMENT

ITEM NO.: PATCO-17-039

**SUBJECT: Consideration of Pending
PATCO Contracts (Between \$25,000
and \$100,000)**

COMMITTEE:

New Business

COMMITTEE MEETING DATE:

N/A

BOARD ACTION DATE:

November 15, 2017

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

PATCO-17-039
New Business: November 15, 2017
Board Date: November 15, 2017
Consideration of Pending PATCO Contracts
(Between \$25,000 and \$100,000)

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



PATCO

CONSIDERATION OF PENDING PATCO CONTRACTS (VALUED BETWEEN \$25,000 - \$100,000) – November 15, 2017

Item #	Vendor/Contractor	Description	Amount	Procurement Method	Bids Received	Bid Amounts	Source of Funds
1	Transportation Learning Center (TLC) Silver Spring, MD	PATCO has participated in Signals and Rail Maintenance Consortiums since 2015 with initial funding from FTA and cash contributions from transit agency members. Membership has been valuable to Way & Power and Car Equipment Depts. Consortium members have worked with the TLC to develop national standards-based maintenance courseware, provide Train-the-Trainer and other technical assistance.	1. \$37,000.00 (N.T.E.): Annual membership dues for CY2018 and CY2019: 1. Signals Consortium \$17,000. 2. Rail Car Maintenance Consortium \$20,000.	Sole Source Provider Annual Membership Dues for CY2018 and CY2019. See attached Sole Source Justification Memo marked "Exhibit 1."	1. Transportation Learning Center (TLC) Silver Spring, MD representing: 1. Signals Consortium 2. Rail Car Maintenance Consortium	1. \$37,000.00 (N.T.E.):	General Funds
2	Ansaldo Batesburg, SC	Purchase rolling stock inventory of specific transit signaling equipment for PATCO Operations.	\$50,000.00 (N.T.E.)	Sole Source Provider, see attached Sole Source Justification Memo marked as "Exhibit 2."	1. Ansaldo Batesburg, SC	\$50,000.00 (N.T.E.)	General Funds
3	Barber Spring Company Greensburg, PA	Purchase rolling stock inventory of truck shock pads for PATCO Operations.	\$30,000.00 (N.T.E.)	Sole Source Provider, see attached Sole Source Justification Memo marked as "Exhibit 3."	1. Barber Spring Company Greensburg, PA	\$30,000.00 (N.T.E.)	General Funds



CONSIDERATION OF PENDING PATCO CONTRACTS (VALUED BETWEEN \$25,000 - \$100,000) – November 15, 2017

Item #	Vendor/Contractor	Description	Amount	Procurement Method	Bids Received	Bid Amounts	Source of Funds
4	Bombardier Mass Transit Plattburgh, NY	Purchase rolling stock inventory of suspension system components for PATCO Operations.	\$35,000.00 (N.T.E.)	Sole Source Provider, see attached Sole Source Justification Memo marked as "Exhibit 4."	1. Bombardier Mass Transit Plattburgh, NY	\$35,000.00 (N.T.E.)	General Funds
5	Erico International Corporation Solon, OH	Purchase rolling stock inventory of transit rail bonding equipment for PATCO Operations.	\$30,000.00 (N.T.E.)	Sole Source Provider, see attached Sole Source Justification Memo marked as "Exhibit 5."	1. Erico International Corporation Solon, OH	\$30,000.00 (N.T.E.)	General Funds
6	Horne Products E. Farmingdale, NY	Purchase rolling stock inventory of third rail fuses and fuse boxes and associated hardware for PATCO Operations.	\$30,000.00 (N.T.E.)	Sole Source Provider, see attached Sole Source Justification Memo marked as "Exhibit 6."	1. Horne Products E. Farmingdale, NY	\$30,000.00 (N.T.E.)	General Funds
7	Midwest Industrial Supply Canton, OH	Purchase rolling stock inventory of Zero Gravity Deicer Fluid for PATCO Operations.	\$80,000.00 (N.T.E.)	Sole Source Provider, see attached Sole Source Justification Memo marked as "Exhibit 7."	1. Midwest Industrial Supply Canton, OH	\$80,000.00 (N.T.E.)	General Funds
8	Penetone Corporation Carlstadt, NJ	Purchase rolling stock inventory of acid and alkaline cleaning solution chemicals used to clean exterior of rail cars and neutralize waste water.	\$26,000.00 (N.T.E.)	Sole Source Provider, see attached Sole Source Justification Memo marked as "Exhibit 8."	1. Penetone Corporation Carlstadt, NJ	\$26,000.00 (N.T.E.)	General Funds
9	Railroad Friction Products Laurinburg, NC	Purchase rolling stock inventory of friction brake shoes for PATCO Operations.	\$80,000.00 (N.T.E.)	Sole Source Provider, see attached Sole Source Justification Memo marked as "Exhibit 9."	1. Railroad Friction Products Laurinburg, NC	\$80,000.00 (N.T.E.)	General Funds
10	UKM Transit Products, Inc. Harleysville, Pa	Purchase rolling stock inventory of consumable parts for refurbished cars for PATCO Operations.	\$50,000.00 (N.T.E.)	Sole Source Provider, see attached Sole Source Justification Memo marked as "Exhibit 10."	1. UKM Transit Products, Inc. Harleysville, Pa	\$50,000.00 (N.T.E.)	General Funds



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: John Rink, Division Director/Project Manager: Office of General Manager

SUBJECT: SOLE SOURCE APPROVAL - Transportation Learning Center

PURCHASE REQUISITION: n/a "EXHIBIT 1"

DATE: Tuesday, September 19, 2017

Background:

The Consortium was started in September 2015 with initial funding from the Federal Transit Administration and cash contributions from Consortium member transit agencies, working through the Transportation Learning Center. PATCO has been a member since the inception. Consortium members have worked with the Center to develop national standards-based maintenance courseware, provide Train-the-Trainer and other technical assistance.

Justification for Proprietary/Sole Source:

Continuing membership in the consortium will allow PATCO to continue working with transit properties to create quality, standardized training programs for our employees. The consortium has developed instruction-ready courses; shared best practices around training techniques, mentoring practices, assessments; drafted an apprenticeship framework; and developed and delivered a Train-the-Trainer program. This will ensure the ability to train the workers of the future and have employees with the required training and skills needed to succeed in their positions. Dues will cover CY2018 and CY2019.

Cost:

Total of \$37,000, annual membership dues for CY2018 and CY2019. Signals Consortium portion is \$17,000, Rail Car Maintenance Consortium portion is \$20,000.

, Division Director

John Rink, GM-PATCO

James White, CFO

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

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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 ,Division Director/Project Manager: WAY & POWER

SUBJECT: SOLE SOURCE APPROVAL - ANSALDO

PURCHASE REQUISITION: 2018 PURCHASES "EXHIBIT 2"

DATE: Monday, October 09, 2017

Background:

Ansaldo STS manufactures transit signaling equipment utilized by PATCO. The equipment is specific to existing signaling design circuits. Equipment includes signal relays, transformers, switch machines, and other circuit components required for safe operation of train movements.

Justification for Proprietary/Sole Source:

In order to maintain/repair these existing signaling circuits, replacement components need to be installed. To date, PATCO has been adding minimal component units to PATCO's inventory. Ansaldo's typical material availability dates range from 4-6 months lead time. If replacement parts are not readily available, continuity of PATCO's service will be adversely affected. For all of these reasons, I request this sole source justification be approved for component procurement.

Cost:

\$50,000

WILLIAM SHAW ,Division Director

William Shaw 10/8/17
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John Rink, GM-PATCO

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James White, CFO

James White 10/24/17
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John T. Hanson, CEO-DRPA/ President-PATCO

[Signature] 10-24-17
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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: Robert Traver, Division Director/Project Manager: Equipment

SUBJECT: SOLE SOURCE APPROVAL - Barber Spring Company

PURCHASE REQUISITION: "EXHIBIT 3"

DATE: Wednesday, September 13, 2017

Background:

Barber spring makes truck shock pads for PATCO. The shock pad is a resilient pad that is placed between the truck bolster and the truck frame; it supports the entire carbody and absorbs vibration transmitted through that interface. Barber is not the original manufacturer of this component, but they reverse engineered the product and it performs significantly better than alternative suppliers. We have used the Barber pads for several years with a significant increase in service life.

Justification for Proprietary/Sole Source:

Barber's product is superior to the OEM's. After many years of struggling with short service life with this product; we contacted Barber Spring and asked them to do an analysis of the pad. We ended up testing several versions and were finally able to achieve significant improvements in life. We do not have engineering specifications for the material they used, so the only feasible way to qualify an alternate is to have another vendor reverse engineer the Barber Spring shock pads and test them in service similar to the process we used with qualifying Barber Spring. Based upon the significant amount of time and resources we exhausted testing/qualifying the Barber Spring product we wish to avoid revisiting this process. In order to continue the safe and reliable operation of the trains, we are requesting sole source approval to purchase shock pads from Barber Spring.

Cost:

\$30,000

Robert Traver, Equipment, Division Director



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John Rink, GM-PATCO




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James White, CFO

 10/24/17

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



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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: Robert Traver, Division Director/Project Manager: Equipment

SUBJECT: SOLE SOURCE APPROVAL - Bombardier Mass Transit

PURCHASE REQUISITION: "EXHIBIT 4"

DATE: Wednesday, September 13, 2017

Background:

Purchase rolling stock inventory of suspension system components for PATCO Operations

Justification for Proprietary/Sole Source:

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 cars' suspension system; they are critical safety components. There are other manufacturers of bonded or vulcanized rubber products, however, few if any of these components are available off the shelf; they must be engineered, manufactured and tested. The potential savings are small in comparison to the upfront capital costs. Therefore, we are requesting approval to sole source these items from Bombardier.

Cost:

\$35,000

Robert Traver, Equipment, Division Director

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John Rink, GM-PATCO

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James White, CFO

 SIGNATURE 10/24/17

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

 SIGNATURE





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 ,Division Director/Project Manager: WAY & POWER

SUBJECT: SOLE SOURCE APPROVAL - ERICO

PURCHASE REQUISITION: 2018 PURCHASES "EXHIBIT 5"

DATE: Monday, October 09, 2017

Background:

ERICO manufactures transit rail bonding equipment utilized by PATCO; the equipment is utilized to perform exothermic welding connections to the track structure's running rail including the VDC distribution third rail. ERICO applications for power and signal bonds are utilized extensively by PATCO. The bonding application is designed to never loosen, corrode or increase in resistance. Bonding components include various bond types and respective graphite molds that are items in the PATCO supply system.

Justification for Proprietary/Sole Source:

In order to maintain and/or repair identified faulted areas, ERICO exothermic welding components are required. To date, PATCO has been adding minimal components to PATCO's inventory. If replacement componenets are not readily available, continuity of PATCO's service will be adversely affected. Note that no other vendor can supply this type/brand of equipment.

Cost:

30,000

WILLIAM SHAW ,Division Director

William Shaw 10/9/17
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John Rink, GM-PATCO

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James White, CFO

James White 10/24/17
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John T. Hanson, CEO-DRPA/ President-PATCO

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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: Robert Traver, Division Director/Project Manager: Equipment

SUBJECT: SOLE SOURCE APPROVAL - Horne Products

PURCHASE REQUISITION: "EXHIBIT 6"

DATE: Wednesday, September 13, 2017

Background:

Purchase rolling stock inventory of third rail fuses, fuse boxes and associated hardware.

Justification for Proprietary/Sole Source:

Horne products provides third rail uses, fuse boxes and associated hardware which are designed to fit into specific bolt patterns on the cars' trucks. These are proprietary products, which were furnished on the cars when built; they are used only on rapid transit cars and have no other application in industry. I know of no other suppliers of these type products. I am familiar with several other agencies which use the same type of fuse equipment, which include Long Island Railroad, Metro North, New York City Transit and PATH on their PA1 - 4 cars. All of these agencies use Horne Products.

Cost:

\$30,000

Robert Traver, Equipment, Division Director

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John Rink, GM-PATCO

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James White, CFO

 SIGNATURE

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

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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: Robert Traver, Division Director/Project Manager: Equipment

SUBJECT: SOLE SOURCE APPROVAL - Midwest Industrial Supply

PURCHASE REQUISITION:

"EXHIBIT 7"

DATE: Wednesday, September 13, 2017

Background:

PATCO utilizes a deicer fluid that 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 Proprietary/Sole Source:

Our Track Utility Vehicle was designed to automatically dispense this product. The only other 3rd rail deicing fluid commercially available has a different viscosity and it will not work. Therefore, I request we continue to exclusively utilize Zero Gravity Deicer fluid.

Cost:

\$80,000

Robert Traver, Equipment, Division Director



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John Rink, GM-PATCO



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James White, CFO

 10/24/17

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



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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: Robert Traver, Division Director/Project Manager: Equipment

SUBJECT: SOLE SOURCE APPROVAL - Penetone

PURCHASE REQUISITION: "EXHIBIT 8"

DATE: Wednesday, September 13, 2017

Background:

The car wash uses a combination of acid and alkaline to clean the exteriors.

Justification for Proprietary/Sole Source:

Penetone supplies the acid and alkaline used to clean the stainless steel exterior of the rail cars. These acids are automatically diluted and then applied by the carwash. Additionally, these acids are further used for waste water neutralization. This process and chemicals used was set up by the original car wash manufacturer and has been in use since it was put in operation. Mixing and matching competitors acids will be problematic and would require involving the car wash manufacturer to review the proposed chemicals. Also sampling and testing of these products would be required to verify the products can clean the trains and don't cause any compatibility issues or damage to the train cars. The costs associated with finding and validating a substitute product by far outweigh any potential savings. Therefore, I am requesting sole source approval

Cost:

\$26,000

Robert Traver, Equipment, Division Director

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John Rink, GM-PATCO

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James White, CFO

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

 SIGNATURE





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: Robert Traver, Division Director/Project Manager: Equipment

SUBJECT: SOLE SOURCE APPROVAL - Railroad Friction Products

PURCHASE REQUISITION: "EXHIBIT 9"

DATE: Wednesday, September 13, 2017

Background:

Purchase rolling stock friction brake shoes

Justification for Proprietary/Sole Source:

PATCO is currently using Railroad Friction Products (WABTEC) part number V280 brake shoes, made with their W-559 friction material. We have used this material since 1996. The brake shoe material has an effect on the stopping distance of the cars and is therefore a critical safety item. Changing shoe material would require a test program to verify any alternate shoes' performance. Since it is not recommended that shoes be mixed on any individual car, we would have to change out all cars' shoes when it became necessary to change out one shoe, during the transition period.

Cost:

\$80,000

Robert Traver, Equipment, Division Director

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John Rink, GM-PATCO

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James White, CFO

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

 SIGNATURE





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 - UKM Transit Products

PURCHASE REQUISITION: "EXHIBIT 10"

DATE: Wednesday, September 13, 2017

Background:

UKM Transit Products has been our source for numerous parts of the truck tread brake units as well as traction motor couplings and truck suspension parts. These items are essential parts utilized for our truck overhaul program.

Justification for Proprietary/Sole Source:

PATCO has annual program to overhaul 40 transit car trucks for its fleet, specifically when the wheels become too small for use. In addition, each car that is return from being overhauled will receive two overhauled trucks prior to being put in service. Each truck consists of multiple components from various vendors, suppliers and manufacturers. The Budd Company was the original manufacturer of the truck assembly and General Electric Transit Systems Business Division was the original manufacturer of the gearboxes and motors, neither company supports this equipment. UKM has reverse engineered the requested components and has been our dedicated supplier. We do not have another source for these components, nor do we have drawings or specifications.

Cost:


\$50,000

Robert Traver, Acting Equipment ,Division Director



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John Rink, GM-PATCO



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James White, Acting CFO

 09/24/17

 SIGNATURE

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



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