SUMMARY STATEMENT

ITEM NO.: PATCO-19-003

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

COMMITTEE:

New Business

COMMITTEE MEETING DATE:

N/A

BOARD ACTION DATE:

January 16, 2019

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 President - 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>Home Products</td>
<td>Purchase rolling stock inventory of third rail fuses and fuse boxes and associated hardware for PATCO Operations.</td>
<td>$85,000.00 (N.T.E.)</td>
<td>Sole Source Provider, see attached Sole Source Justification Memo marked as &quot;Exhibit 1&quot;</td>
<td>1. Home Products Farmingdale, NY</td>
<td>$85,000.00 (N.T.E.)</td>
<td>General Funds</td>
</tr>
<tr>
<td>2</td>
<td>Hoppecke Batteries, Inc.</td>
<td>Purchase rolling stock inventory of NiCad batteries for refurbished cars for PATCO Operations.</td>
<td>$75,000.00 (N.T.E.)</td>
<td>Sole Source Provider, see attached Sole Source Justification Memo marked as &quot;Exhibit 2&quot;</td>
<td>1. Hoppecke Batteries, Inc. Hainesport, NY</td>
<td>$75,000.00 (N.T.E.)</td>
<td>General Funds</td>
</tr>
<tr>
<td>3</td>
<td>Bombardier Mass Transit</td>
<td>Purchase rolling stock inventory of suspension system components for PATCO Operations.</td>
<td>$35,000.00 (N.T.E.)</td>
<td>Sole Source Provider, see attached Sole Source Justification Memo marked as &quot;Exhibit 3&quot;</td>
<td>1. Bombardier Mass Transit Plattsburgh, NY</td>
<td>$35,000.00 (N.T.E.)</td>
<td>General Funds</td>
</tr>
<tr>
<td>4</td>
<td>Twinco Manufacturing Co., Inc.</td>
<td>Purchase rolling stock inventory of transit traction return impedance bonds for PATCO operations.</td>
<td>$36,000.00 (N.T.E.)</td>
<td>Sole Source Provider, see attached Sole Source Justification Memo marked as &quot;Exhibit 4&quot;</td>
<td>1. Twinco Manufacturing Co., Inc. Hauppauge, NY</td>
<td>$36,000.00 (N.T.E.)</td>
<td>General Funds</td>
</tr>
<tr>
<td>5</td>
<td>Penetone Corporation</td>
<td>Purchase rolling stock inventory of chemicals used to clean exterior of rail cars and neutralize waste water for PATCO operations.</td>
<td>$26,000.00 (N.T.E.)</td>
<td>Sole Source Provider, see attached Sole Source Justification Memo marked as &quot;Exhibit 5&quot;</td>
<td>1. Penetone Corporation Carlstadt, NJ</td>
<td>$26,000.00 (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: John Barrett Acting, Division Director/Project Manager

SUBJECT: SOLE SOURCE APPROVAL - Horne Products

PURCHASE REQUISITION:

DATE: Wednesday, December 19, 2018

Background:

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

Justification for Proprietary/Sole Source:

Horne products provides third rail fuses, fuse boxes and associated hardware which are designed to fit into specific bolt patterns on the cars’ trucks. Horne is the OEM of these products, which were furnished on the cars when built; they are used only on rapid transit cars and have no other application in industry.

Cost:

$85,000

John Barrett Acting, Equipment 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, Chief Financial Officer
   John T. Hanson, CEO-DRPA/ President-PATCO

FROM: John E. Barrett , Division Director/Project Manager
       Equipment

SUBJECT: SOLE SOURCE APPROVAL

PURCHASE REQUISITION: [Blank]

DATE: Wednesday, December 19, 2018

Background:
Hoppecke is the OEM of the NiCad batteries used on the Transit cars. ALSTOM specified Hoppecke batteries based on the electrical load calculation of the newly refurbished transit cars.

Justification for Proprietary/Sole Source:
Batteries are a safety critical component and require inspection every three-months. If any of the cells are out of tolerance, they must be immediately repaired. Hoppecke is the OEM and is the only authorized vendor who can make these repairs.

Cost:
$75,000

John E. Barrett , 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, Chief Financial Officer
   John T. Hanson, CEO-DRPA/President-PATCO

FROM: John E. Barrett, Division Director/Project Manager: Equipment

SUBJECT: SOLE SOURCE APPROVAL - Bombardier Mass Transit

PURCHASE REQUISITION: ____________________________

DATE: Wednesday, December 19, 2018

Background:

Bombardier Mass Transit is the OEM supplier of suspension system components in the Transit Cars.

Justification for Proprietary/Sole Source:

Bombardier bought the rights to PATCO’s car design from the Budd company and is their successor as OEM. OEM components purchased from Bombardier are elastomeric bumpers and snubbers for the cars’ suspension system; they are critical safety components.

Cost:

$35,000

John E. Barrett, 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, Chief Financial Officer
   John T. Hanson, CEO-DRPA/ President-PATCO

FROM: WILLIAM SHAW , Division Director/Project Manager: WAY & POWER

SUBJECT: SOLE SOURCE APPROVAL - TWINCO

PURCHASE REQUISITION: CY2019 SOLE SOURCE PURC

DATE: Thursday, November 29, 2018

Background:

TWINCO manufactures transit traction return impedance bonds utilized by PATCO. These impedance bonds are currently installed throughout PATCO’s entire mainline track area. 1000 AMP and 1500 AMP untuned Z-Bonds are currently utilized. Cost of a single bond lists at $4,000 each.

Justification for Proprietary/Sole Source:

No other manufacturuer can be identified to procure these impedance bonds from.

Cost:

36,000

WILLIAM SHAW ,Division Director

John Rink, GM-PATCO

James White, CFO

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

[Handwritten signatures]

as designee of CEO John T. Hanson
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 Barrett, Division Director/Project Manager

SUBJECT: SOLE SOURCE APPROVAL - Penetone

PURCHASE REQUISITION:

DATE: Wednesday, December 19, 2018

Background:
The car wash uses a combination of acid and alkaline to clean the exterior of the trains. Penetone supplies the acid and alkaline used to clean the stainless steel exterior of the rail cars.

Justification for Proprietary/Sole Source:
The OEM car wash manufacturer specified these particular chemicals for use with their equipment. These acids are automatically diluted and then applied by the carwash. Use of unapproved chemicals could significantly damage internal components of the car wash. Additionally, wastewater neutralization mixtures are based on the use of Penetone chemicals and are critical for meeting EPA wastewater standards which are regularly monitored by the CCMUA (Camden County Municipal Utilities Authority).

Cost:
$26,000

John Barrett, Equipment Division Director
John Rink, GM-PATCO
James White, CFO
John T. Hanson, CEO-DRPA/ President-PATCO