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2. Financial Report

3. Resolutions

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B. Authorization to Enter into an Agreement for the Provision of Transit and Railroad Advertising Services with Titan Outdoor, LLC

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2. Agreement with Independence Visitor Center Corporation Related to Philadelphia Phlash Service

3. Supplemental Reimbursement Agreement Between SEPTA and Pennsylvania Department of Transportation Relating to the Relocation of Trolley Tracks in Connection with the Reconstruction of Interstate 95

4. Reimbursement Agreement Between SEPTA and The Port Authority Transit Corporation (PATCO) Relating to Elevator/Escalator Maintenance

B. Various Procurements

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4. Report of General Manager
RESOLUTION

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PURCHASE FROM ARCH INSURANCE GROUP
OF EXCESS WORKERS’ COMPENSATION INSURANCE

WHEREAS, the Commonwealth of Pennsylvania requires an employer that self-insures its workers’ compensation claims to obtain excess workers’ compensation insurance; and

WHEREAS, National Safety issued SEPTA’s most recent excess workers’ compensation insurance coverage and that coverage expires on May 1, 2014; and

WHEREAS, the expiring policy provides a $10 million limit of liability with a $5 million self-insured retention on a per accident basis and $1 million in employer’s liability coverage, at an annual premium of $271,328, adjustable at a rate of $0.0584 per $100 of SEPTA’s payroll not exceeding $464,088,288 during the expiring policy’s term; and

WHEREAS, with the excess workers’ compensation market hardening over the last several years, SEPTA’s brokers agreed to market the 2014-2015 renewal, which resulted in only two carriers providing quotes with two year rate guarantees; and
WHEREAS, the proposal of Arch Insurance Group quoted a reduction of 11% in premium cost over the expiring coverage, while incumbent carrier Safety National only quoted a 5% reduction; and

WHEREAS, the proposed coverage by Arch Insurance Group would be (i) under the same terms and conditions as the expiring program; (ii) for a minimum annual premium of $246,198 subject to adjustment for SEPTA’s payroll values in excess of $471,972,763 for the term at a rate of $0.0521 per $100 of payroll; and (iii) with a $300 policy administrative charge; and

WHEREAS, staff, with the concurrence of the Risk Management Advisory Committee, requested that the General Manager recommend that the Board authorize SEPTA to purchase the coverage from Arch Insurance Group for a 12-month period commencing on May 1, 2014, under the terms and conditions that are set forth above and as described in the pertinent staff summary; and

WHEREAS, the General Manager made the recommendation to the Board.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes SEPTA to purchase from Arch Insurance Group excess workers' compensation insurance for all employees (i) with
coverage limits of $10 million with a $5 million self-insured retention, both on a per accident basis, and $1 million employer's liability coverage; (ii) for a 12-month term commencing on May 1, 2014 and will end on April 30, 2015; (iii) at a minimum annual premium of $246,198, subject to adjustments based upon actual payroll in excess of $471,972,763 at a rate of $0.0521 per $100 of payroll during the term; (iv) with a $300 policy administrative charge; and (v) as more fully described in the pertinent staff summary.

FURTHER RESOLVED, that the Board authorizes the proper managers of SEPTA to execute all documents, in form approved by the Office of General Counsel, and to do any and all other things as shall be necessary and proper in order to effectuate the purpose of this Resolution.
RESOLUTION
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AUTHORIZATION TO ENTER INTO AN AGREEMENT FOR THE
PROVISION OF TRANSIT AND RAILROAD ADVERTISING SERVICES WITH
TITAN OUTDOOR, LLC

WHEREAS, SEPTA allows transit and railroad advertising to be placed upon SEPTA's vehicles (interiors and exteriors of buses, trackless trolleys, and light rail vehicles; and commuter railroad cars), facilities and stations; and

WHEREAS, the current contract for transit and railroad advertising by and between SEPTA and Titan Outdoor, LLC ("Titan") expires on April 30, 2013; and

WHEREAS, in recognition of its need beyond April 30, 2013 for transit and railroad advertising services, SEPTA extended to prospective proposers and advertised in various newspapers and on the Internet request for proposals (under RFP No. 13-130-JVL) on a new contract for transit and railroad advertising services; and

WHEREAS, SEPTA requested proposals on a contract which would have a base period of five (5) years commencing May 1, 2014, along with two 2-year renewal options; and

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WHEREAS, of the two proposals that SEPTA received, Titan's was the highest ranked responsive, responsible proposer and met all of the requirements of the solicitation; and

WHEREAS, Titan offered to SEPTA a total minimum guaranteed revenue of $75,829,000 for the five year base period, and guaranteed minimums for the first and second year option periods of $35,436,000 and $35,735,000, respectively; and

WHEREAS, SEPTA staff requested that the General Manager recommend that the Board authorize SEPTA to enter into a contract with Titan for transit and railroad advertising services under the terms and conditions as set forth above and more fully described in the pertinent staff summary; and

WHEREAS, the General Manager made the recommendation to the Board.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes SEPTA to enter into the proposed agreement with Titan Outdoor, LLC in the form approved by the Office of General Counsel, under which Titan Outdoor, LLC would solicit, create and display advertising on vehicles (interiors and exteriors of buses, trackless trolleys, and light rail vehicles; and commuter railroad cars), facilities and stations, for a base period of
five years commencing on May 1, 2014, along with two 2-year options to extend the contract to be exercised at the sole discretion and further approval of the Board, for minimum guaranteed revenues paid to SEPTA in the total amount of $150,000,000 over the five year base period and two option periods, under such terms and condition as set forth in the pertinent staff summary.

FURTHER RESOLVED, that the authorization is contingent upon the concurrence of the funding agencies, if required, and further subject to Titan Outdoor, LLC satisfactorily meeting all requirements of the RFP terms and specifications, specifically including full compliance with any applicable Disadvantaged Business Enterprise goals.

FURTHER RESOLVED, that the proper officers of SEPTA are hereby authorized to execute and deliver all documents and to do any and all other things as shall be necessary and proper, in form approved by the Office of General Counsel, in order to effectuate the purpose of this Resolution.
WHEREAS, SINCE 2009 SEPTA has needed additional parking for the motor vehicles of the passengers who use Willow Grove Station ("Station") on the Warminster Rail Line; and

WHEREAS, Verizon Pennsylvania, Inc. ("Verizon") owns a parking lot near the Station, the address of which is 229 Old York Road, Willow Grove; and

WHEREAS, on March 26, 2009 the Board authorized SEPTA to enter into an agreement with Verizon, by which SEPTA leased from Verizon 42 spaces within the parking lot ("Demised Premises") for use by SEPTA’s passengers; and

WHEREAS, the term of the lease was five years at an annual rental at $7,200, which expired on March 27, 2014; and

WHEREAS, on March 24, 2014 SEPTA and Verizon entered into a letter of agreement extending the lease until April 30, 2014, in order to accommodate the parties negotiation of a new term and rental rate; and
WHEREAS, SEPTA and Verizon have now reached an agreement for an amended lease for the Demised Premises for a term of five years commencing May 1, 2014, at an annual rental of $7,560; and

WHEREAS, under the amended lease, SEPTA will continue to be responsible for all maintenance, repairs, improvements and snow removal with respect to the Demised Premises; and

WHEREAS, staff requested that the General Manager recommend that the Board authorize SEPTA to enter into an amended lease agreement for the Demised Premises with Verizon under the terms that are set forth in the pertinent staff summary; and

WHEREAS, the General Manager made the recommendation to the Board.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes SEPTA to enter into an amended lease agreement with Verizon Pennsylvania, Inc. for the Demised Premises, under the terms that are set forth in the pertinent staff summary.

FURTHER RESOLVED, that the Board hereby authorizes the General Manager or his designee to execute all documents, in form approved by the Office of General Counsel, and to do any and all other things as shall be deemed necessary and proper in order to effectuate the purpose of this Resolution.
RESOLUTION

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AGREEMENT WITH INDEPENDENCE VISITOR CENTER CORPORATION RELATED TO PHILADELPHIA PHLASH SERVICE

WHEREAS, for the past few years SEPTA recognized the need for public transit service during the tourist season that would connect center city Philadelphia (including SEPTA’s Market East Station and Suburban Station), Please Touch Museum and Philadelphia Zoo; and

WHEREAS, SEPTA also recognized that SEPTA’s establishing such a route would be very expensive; and

WHEREAS, from 2009 through 2013 the Board authorized SEPTA to enter into agreements with Central Philadelphia Transportation Management Association (“CPTMA”) whereby CPTMA would extend its Philadelphia Phlash bus route (“Phlash”) from center city Philadelphia to the Please Touch Museum and Philadelphia Zoo; and

WHEREAS, the Independence Visitor Center Corporation (“IVCC”) is the current operator of the Phlash service; and
WHEREAS, the service was so successful in prior years that management wishes to renew the service during the 2014 tourist season; and

WHEREAS, IVCC offered to operate the Phlash service from center city Philadelphia to Please Touch Museum and Philadelphia Zoo under the same terms by which it provided the service in 2013; and

WHEREAS, SEPTA will pay to IVCC an amount not to exceed $250,000 for the service which is tentatively scheduled to run between May 9, 2014 and December 31, 2014; and

WHEREAS, in return IVCC will accept as fares valid TransPasses, Trail Passes, Cross County Passes and Independence Passes for unlimited rides (between 10:00 am - 6:00 pm) on Fridays, Saturdays and Sundays during the months of September through December 2014, and seven days a week from May 9, 2014 through Labor Day (September 1, 2014); and

WHEREAS, staff requested that the General Manager recommend that the Board authorize SEPTA to enter into the agreement with IVCC for the operation of Phlash service under the terms that are set forth in the pertinent staff summary; and
WHEREAS, the General Manager made the recommendation to the Board.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes SEPTA to enter into the agreement with Independence Visitor Center Corporation for the operation of service on the Philadelphia Phlash bus route as described above and in the pertinent staff summary.

FURTHER RESOLVED, that the Board hereby authorizes the General Manager or his designee to execute all documents, in form approved by the Office of General Counsel, and to do any and all other things as shall be deemed necessary and proper in order to effectuate the purpose of this Resolution.
RESOLUTION

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SUPPLEMENTAL REIMBURSEMENT AGREEMENT BETWEEN
SEPTA AND PENNSYLVANIA DEPARTMENT OF TRANSPORTATION
RELATING TO THE RELOCATION OF TROLLEY TRACKS IN
CONNECTION WITH THE RECONSTRUCTION OF INTERSTATE 95

WHEREAS, in 2000 the Department of Transportation of the Commonwealth of Pennsylvania ("PennDOT") commenced a project ("Project") by which PennDOT reconstructed a part of Interstate 95 that is located within the City of Philadelphia, which included the relocation of the Girard Avenue Interchange; and

WHEREAS, as part of the relocation of Girard Avenue Interchange, PennDOT is relocating Richmond Street some 50 yards east, which includes relocation of SEPTA's Route 15 trolley tracks and electrical facilities that are located between Ann Street and Girard Avenue Bridge; and

WHEREAS, on November 18, 2010, the Board authorized SEPTA to enter into a reimbursement agreement with PennDOT, under which PennDOT agreed to relocate the trolley tracks and electrical facilities and SEPTA would reimburse PennDOT 25% of the cost for the relocation; and
WHEREAS, PennDOT and SEPTA estimated that the cost to construct the new trolley tracks and electrical facilities would be $10,750,615.35 and consequently, if the estimated amount is the actual amount that PennDOT incurs, the reimbursement agreement will require SEPTA to reimburse PennDOT $2,687,653.84; and

WHEREAS, during the course of construction certain special trackwork was required, and it was determined that SEPTA could fabricate and provide this material at a cost much lower than PennDOT’s contractor was able to obtain via bidding process; and

WHEREAS, SEPTA and PennDOT have agreed to enter into a supplemental reimbursement agreement by which PennDOT will reimburse SEPTA 75% of the Authority’s costs for providing special trackwork as part of the relocation of SEPTA’s Route 15 trolley line; and

WHEREAS, staff requested that the General Manager recommend that the Board authorize SEPTA to enter into the supplemental reimbursement agreement with PennDOT under the terms that are set forth in the pertinent staff summary; and

WHEREAS, the General Manager made the recommendation to the Board.
NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes SEPTA to enter into the supplemental reimbursement agreement with the Department of Transportation of the Commonwealth of Pennsylvania ("PennDOT") by which PennDOT will reimburse SEPTA 75% of the costs that SEPTA will incur for the cost of providing special trackwork for the Project under the terms that are set forth in the pertinent staff summary.

FURTHER RESOLVED, that the Board hereby authorizes the General Manager or his designee to execute all documents, in form approved by the Office of General Counsel, and to do any and all other things as shall be necessary and proper in order to effectuate the purpose of this Resolution.
RESOLUTION

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REIMBURSEMENT AGREEMENT BETWEEN SEPTA AND THE PORT AUTHORITY TRANSIT CORPORATION (PATCO) RELATING TO ELEVATOR/ESCALATOR MAINTENANCE

WHEREAS, since August 2013 SEPTA has been responding to the requests of the Port Authority Transit Corporation (PATCO) by providing assistance in maintaining PATCO’s fleet of vertical transportation equipment (elevators and escalators) as a result of PATCO’s third party service contract having expired; and

WHEREAS, the initial project agreement with PATCO covered emergency service call-outs and repairs to out-of-service units, but PATCO subsequently requested that SEPTA continue to provide services to its all elevators and escalators; and

WHEREAS, both SEPTA and PATCO believe that this arrangement has proven successful and should be sustained for a longer period of time; and

WHEREAS, the parties have now negotiated a new formal reimbursement agreement by which SEPTA would perform maintenance and inspection services for all of PATCO’s elevators and escalators, for a period of five years commencing May 1, 2014,
which can be terminated by either party upon 90 days prior written notice; and

WHEREAS, under the proposed reimbursement agreement, SEPTA will be fully reimbursed for services rendered in an estimated amount not to exceed $740,000 for the first year, with 3% escalation per year thereafter to cover increases in labor and materials costs, with a total reimbursement to SEPTA over the entire five-year term in an estimated amount not to exceed $3,928,760; and

WHEREAS, staff requested that the General Manager recommend that the Board authorize SEPTA to enter into the proposed reimbursement agreement with PATCO under the terms that are set forth in the pertinent staff summary; and

WHEREAS, the General Manager made the recommendation to the Board.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes SEPTA to enter into the reimbursement agreement with the PATCO with respect to SEPTA’s ongoing maintenance and inspection of PATCO’s fleet of vertical transportation equipment (elevators and escalators), under the terms described above and set forth in the pertinent staff summary.
FURTHER RESOLVED, that the Board hereby authorizes the General Manager or his designee to execute all documents, in form approved by the Office of General Counsel, and to do any and all other things as shall be necessary and proper in order to effectuate the purpose of this Resolution.
RESOLUTION

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AUTHORIZATION TO AWARD CONTRACTS FOR VARIOUS PROCUREMENTS

WHEREAS, SEPTA advertised and invited bids for the supplies identified below; and

WHEREAS, the firms listed below were the lowest responsive and responsible bidders to the invitation for bids; and

WHEREAS, staff requested that the General Manager recommend that the Board authorize SEPTA to award the contracts identified below; and

WHEREAS, the General Manager made the recommendation to the Board.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes SEPTA to award and for the General Manager or his designee to execute the contracts identified below in form approved by the Office of General Counsel, subject to and contingent upon the concurrence of the funding agencies, if required, and contingent upon and subject to the vendors satisfactorily meeting all requirements of the bid terms and
specifications, including full compliance with any applicable Disadvantaged Business Enterprise requirements:

1. To All American Poly, for the purchase of 5,400 cases of trash can liners to be used throughout the Authority, at a unit price of $19.82, with delivery of material on an "as required" basis over a period of one year commencing in June 2014, as described in the staff summary on this subject, for a total contract amount not to exceed $107,028, Sealed Bid No. 13-156-RTS - Trash Can Liners.

2. To NABI Parts LLC, for the purchase of 145 Graham White Dryers to be used in the FY 2014-15 New Flyer Bus Vehicle Overhaul (VOH) Program, at a unit price of $953.41, with delivery of material scheduled within 60 calendar days of receipt of Notice-to-Proceed, as described in the staff summary on this subject, for a total contract amount not to exceed $138,244.45, Sealed Bid No. 14-010-BJV - Graham White Dryers.

3. To Liberty Graphics System, Inc. for the printing of various transit maps for the CTD, STD and Rail Division to be displayed throughout the system, with delivery of material exactly 21 business days after receipt of Notice-to-Proceed, as described in the staff summary on this subject, for a total
contract amount not to exceed $146,247.85, Sealed Bid No. 13-167-AKM - Transit Maps.
RESOLUTION

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AWARD OF A CONTRACT FOR SOLE SOURCE PROCUREMENT

WHEREAS, SEPTA has need for the supplies and services described below and those supplies and services are available only from the firm listed below; and

WHEREAS, staff reviewed the cost of the supplies and services and the General Manager recommended that the Board authorize SEPTA to award the contract.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes SEPTA to award and the General Manager or his designee to execute the contract identified below, all in form approved by the Office of General Counsel, subject to the concurrence of the funding agencies, if required, and contingent upon and subject to each vendor/contractor satisfactorily providing any required bonds, insurance certificates and/or other documents, and complying with any applicable Disadvantaged Business Enterprise requirements:
1. To New Flyer Industries Canada, ULC, for the purchase of 300 relief valve assemblies to be used for the 2014-15 Vehicle Overhaul (VOH) Program in addition to the maintenance of SEPTA’s New Flyer bus fleet, at a unit price of $695.58, with delivery of materials scheduled in increments of 30 units each on an “as required” basis over a period of three years commencing in May 2014, as described in the staff summary on this subject, for a total contract amount not to exceed $208,674.
RESOLUTION
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AUTHORIZATION TO EXECUTE CHANGE ORDERS

WHEREAS, additional work is required to complete the projects identified below; and

WHEREAS, staff reviewed the cost of the additional work and the General Manager recommended that the Board authorize SEPTA to order the additional work.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes SEPTA to award and the General Manager or his designee to execute the change orders identified below in form approved by the Office of General Counsel, subject to the concurrence of the funding agencies, if required, and to any applicable Disadvantaged Business Enterprise requirements:

1. To Neshaminy Constructors, Inc., for Change Order No. 9, which provides for additional construction work and other changes due to design errors and omissions for the SEPTA - Wayne Junction Station Improvements Project, at an increase in cost not to exceed $117,182, bringing the total contract price,
including all change orders to date, to an amount not to exceed $17,233,961, provided that with the Board’s approval of this change order, the Board authorizes the resetting of prior authorized cumulative change order amounts to zero dollars ($0) and the establishment of a new cumulative change order threshold of 10% or $500,000, pursuant to the Resolution adopted by the Board on May 22, 2008, which Resolution authorized a “Delegation of Authority for Change Orders, Amendments and Assignments.”

2. To NOVA Bus, Inc., for Change Order No. 2, which provides for the exercise of an option to purchase a total of 30 additional 60-foot articulated low-floor diesel buses plus hybrid alternative for 2014 and 2015, at an increase in cost not to exceed $24,169,920, bringing the total contract price, including all change orders to date, to an amount not to exceed $202,539,990.