



**NORTHERN INDIANA COMMUTER TRANSPORTATION DISTRICT  
BOARD MEETING**

**September 23, 2016**

**Northern Indiana Commuter Transportation District**

**33 East U.S. Highway 12**

**Chesterton, IN 46304-3514**

**Public Session – 10:30 a.m. (CST)**

**BOARD MEMBERS PRESENT:**

John Evans  
Mark Catanzarite  
Michael Repay

Christine Cid  
David Prancus  
Mark Yagelski

Scott Lauerman  
Jim Biggs

**OTHERS PRESENT:**

Ashley Spyrka– Group 7even  
Victor Van Santen – HDR  
Patrick Pechnick – HDR  
Steven Lyons – Passenger  
Greg Price – Passenger  
Paul F. Willer – Passenger

Brian Jones – INDOT  
Christopher Murphy – Structurepoint  
Roger Morrissett - Passenger  
Roy G. Benedict – Passenger  
Gerald Williamson – Passenger

**STAFF PRESENT:**

Michael Noland  
Chuck Lukmann, Esq.  
Robert Byrd  
Victor Babin  
Bjarne Henderson  
Steve Plesha

John Parsons  
Christine Dearing  
Anthony Siegmund  
Chris Beck  
Laura Harrington  
Nicole Barker

Keith Casey  
Boris Matakovic  
Bill O’Dea  
Joe Crnkovich  
Jay Goodrich

**CALL TO ORDER**

Board Chairman, Mr. Evans, called the meeting to order and asked that those present stand for the Pledge of Allegiance.

## MEETING MINUTES

Mr. Evans requested approval of the minutes from July 29, 2016. Mr. Yagelski motioned to accept the Public Session and Executive Session Board minutes for July 29, 2016. The motion was seconded by Ms. Cid. The motion was approved unanimously.

## PUBLIC COMMENT

There was no public comment.

## GENERAL MANAGER'S REPORT

**Double Track NWI Project.** Mr. Noland stated that we are well under way in conducting the significant amount of environmental work necessary as part of the federal process. We are coordinating with all the stakeholders, have identified the Area of Potential Effect and have begun field work to complete the analysis of wetlands, endangered species and other aspects of the project. All Project Development work must be completed by Summer 2017 in order to submit the project to the Federal Transit Administration for a project rating. Mr. Noland stated that NICTD is also working with South Shore Freight on this project since there are track related affects at Bailly freight storage yard near the east entrance to Arcelor Mital, and at Goff siding immediately west of the Toll Road in Gary. NICTD has also been speaking with NIPSCO regarding their natural gas pipeline project that will be installed at approximately the same time as the double track project. NICTD will be coordinating with NIPSCO, the National Park Service and also with INDOT. INDOT will be responsible for relocating US12 to US20 east of Lake Street in the Miller area of Gary as part of this project. Mr. Noland stated that we are making significant progress on all aspects of the project. Mr. Noland stated that we have been in discussions with Michigan City regarding the various design options of the track through town. NICTD has hosted field visits with the Army Corps of Engineers US and Fish & Wildlife Service. Mr. Noland also informed the Board of three dates to inform the public about the double track project in October. Meetings are scheduled for October 4<sup>th</sup> in Miller, October 5<sup>th</sup> in Porter and October 6<sup>th</sup> in Michigan City. The community is encouraged to attend these meetings to view the plans and give feedback.

Mr. Noland informed the Board that both gubernatorial candidates have endorsed the double track project. He commented that this is very good as we will need to identify the 50% non-federal share to match the federal funds. We will need to have the local share established before we submit the project for rating. Mr. Noland informed the Board that there has been strong support throughout the four county area.

**West Lake Corridor Update.** Mr. Noland stated that the Hammond City Council conditionally approved a Resolution to participate in funding the West Lake Project contingent upon the selection of north Hammond as the location for both the new rail yard and a new gateway station where the South Shore Line and the West Lake Line will come together in one facility.

Mayor McDermott is fully behind the project if NICTD selects the Hammond Alternative that includes the Gateway Station and maintenance facility in north Hammond. Mr. Noland stated that NICTD is working with the FTA on completing the DEIS. When complete, NICTD will publish the DEIS in the Federal Register. The NEPA Preferred Alternative will be identified in that publication. NICTD will then be able to solicit public comment on that document. Mr. Noland stated that NICTD is also working on the Section 106 portion of the NEPA process which involves ensuring that NICTD understands the implications to historical properties and archeological issues. We have submitted a request to enter project development to the FTA. Once NICTD is in project development, all monies spent are eligible to be counted towards the estimated \$300M local share.

**Teachers & First Responders Free Ride Weekends.** Mr. Noland discussed the promotion for teachers and educators. It was a very popular event. Mr. Noland stated that the promotion to thank and show appreciation for First Responders on September 11<sup>th</sup> was very well received. Veterans' Day will see the same promotion to thank our country's veterans.

Trustee Cid stated that she saw that there was much greater ridership for the teachers' promotion. She questioned if there was more advertisement for the teachers than for the first responders. Mr. Noland replied that September 11<sup>th</sup> was not as well traveled because of rainy weather. Mr. Evans observed that there are proportionally more teachers than first responders.

**Award of FRA Grant to Design & Construct Additional Access Way to East Chicago Platform.** Mr. Noland discussed the long-needed additional ingress and egress point from the East Chicago Station. NICTD has been awarded a \$2.7 Million grant from the Federal Railroad for this project. The engineering firm DLZ will refine the application to pare down the project so the federal money can be leveraged, and NICTD can utilize monies in our capital plan for station improvements. Mr. Noland stated he expects a design to be ready for presentation to the Board in the next few months, and to work with the FRA to get a grant award to complete the construction of this project. Mr. Noland discussed the #20 Turnouts and the high-level platform would all lead to reducing customer service issues while gaining faster train times.

**Replacing Track 2 Bridge Over CN/EJ&E this Fall.** Mr. Noland stated that our bridge over the CN near the Gary/Chicago International Airport will be replaced this fall, and NICTD needs CN's approval to bring a crane to location in order to lift off the old bridge and install the new bridge. Mr. Noland informed the Board that there is a staging issue with the CN to coordinate the bridge replacement. NICTD has the federally funded money in place for this bridge replacement. Mr. Noland stated that once the CN grants the staging rights, we can get the project moving. Mr. Noland indicated that this project will create a 3-mile single-track section, and some busing will be required for the estimated two weeks of projected bridge work.

**RESOLUTION 16-06 AUTHORIZING THE APPOINTMENT OF A SUPPLEMENTAL PENSION FUND TRUSTEE**

Mr. Noland stated that with the retirement of Keith Casey, NICTD's Chief Financial Officer, we need to replace Keith as one of the three trustees to our Supplemental Pension Plan. Christine Dearing has been recommended to replace Mr. Casey as a trustee to the plan.

Mr. Repay motioned to approve the replacement of Keith Casey with Christine Dearing as a Trustee to the Supplemental Pension Plan. The motion was seconded by Ms. Cid. The motion was approved unanimously.

Mr. Evans thanked Mr. Casey for his two plus decades of service and stated what a pleasure it had been to work with him. Mr. Casey thanked the staff and other members of NICTD for all of the years of working together.

**RESOLUTION 16-07 DUTIES AND AUTHORITY OF PRESIDENT/GENERAL MANAGER**

Mr. Lukmann discussed that Resolution 16-07 gives some clarification of the President's authority. Mr. Lukmann stated that this resolution still reserves critical powers to the Board.

Mr. Repay motioned to approve the Resolution 16-07. The motion was seconded by Ms. Cid. The motion was approved unanimously.

**RESOLUTION 16-08 AUTHORIZING THE OPTIONAL REDEMPTION OF ALL OUTSTANDING BONDS AUTHORIZED UNDER RESOLUTIONS 07-01 AS AMENDED AND SUPPLEMENTED BY 12-RESOLUTION 16-09**

Mr. Casey explained that NICTD has had a 2007 Bond Issue for the purchase of the 14 gallery cars and would like to retire the bond early. There are sufficient funds in the reserve, and coupled with some excess SITUS money, the bond can be called December 30<sup>th</sup> at 100% par. Mr. Casey further explained that this would leave one remaining Bond Issue, which was issued earlier in 2016, for the funding of Positive Train Control.

Mr. Repay motioned to approve the Resolution 16-08. The motion was seconded by Mr. Biggs. Trustee Cid pointed out that this Resolution saved NICTD interest money as well. The motion was approved unanimously.

Mr. Noland again thanked Mr. Casey for his years of service, and also commented on how much of an improved financial position NICTD is in thanks to Mr. Casey and his staff along with the Board and everyone's efforts.

Chairman Evans wished Mr. Casey well in his future endeavors.

## **METHODOLOGY FOR CALCULATING REVENUE GENERATED FROM CAPITAL FARE**

Mr. Noland stated that NICTD now has the ability to set aside some fare revenue to fund capital improvements with the Board's approval of the 2.5% capital fare increase in July of this year and next. Mr. Noland explained the numerous ways to calculate the methodology. Laura Harrington, NICTD's Deputy Treasurer, further explained the methodology requirements and determinations. Mr. Noland requested the Board to approve the stated policy for calculating the capital fare revenue.

Mr. Yagelski motioned to approve the methodology for calculating the capital fare revenue. The motion was seconded by Mr. Catanzarite. The motion was approved unanimously.

Mr. Noland noted that in 2018 – the first full year of the capital fare increase being in place – that NICTD's riders will generate approximately \$1.4 Million in funds available for capital improvements. These funds will be leveraged to match federal grants, for possible rail car acquisitions, station improvements, etc. Mr. Noland stated that NICTD will notify our riders when these funds are utilized so that they can see their investment at work.

## **APPROVAL OF CONTRACT WITH ENGINEERING FIRM TO COMPLETE ALL PROJECT DEVELOPMENT WORK RELATED TO THE WEST LAKE CORRIDOR PROJECT INCLUDING PRELIMINARY ENGINEERING AND FINAL EIS AND RECORD OF DECISION**

Mr. Noland stated that AECOM is NICTD's engineering firm that has been assisting with all the West Lake Project's DEIS efforts. The contract with AECOM will be completed after conclusion of the public comment period for the DEIS. Mr. Noland stated that the next phase of the project will bring NICTD to the final EIS and Record of Decision and to a level of engineering that is needed to submit the West Lake Project to the federal government for a project rating. NICTD issued an RFP and interviewed a number of firms. Mr. Noland informed the Board that Tony Siegmund will describe the consultant selection process. Noland described the new starts project development process as extremely detailed and complex involving not only NEPA and engineering work but creating the necessary management and financial structure that demonstrates to the FTA that NICTD has the capability to undertake West Lake without adversely affecting its current South Shore Line service. The RDA has committed \$20 Million to fund this phase of the project work. Bill Hanna is presenting the RDA's Comprehensive Strategic Plan before the State Budget Committee as required by their reauthorization act in order to qualify for the \$6 Million in annual state funding over the next 30 years to help fund the West Lake Project. Mr. Noland informed the Board that the money for this West Lake project development contract is from the RDA.

**RECOMMENDATION  
ENGINEERING  
West Lake  
Final Environmental Impact Statement  
(FEIS)  
Proposal  
September 23, 2016**

**A. SCOPE**

The District is looking to engage an engineering firm to advance environmental and engineering work on its West Lake Corridor New Starts Project. Several studies have been completed to date and services are needed to complete environmental work and achieve a fifty (50) percent design and engineering level. This work needs to be done in concert with the current Draft Environmental Impact Statement (DEIS) documents and achieve submission to the Federal Transit Administration (FTA) for FEIS by July 1, 2017.

**B. ADMINISTRATIVE REVIEW**

**1. Legal Notifications**

The request for West Lake FEIS was advertised throughout the region. The legal advertisements were placed in the following publications and on the NICTD website:

News Dispatch - Michigan City, Indiana  
The Times - Hammond, Indiana  
Chesterton Tribune - Chesterton, Indiana  
Gary Crusader - Gary, Indiana  
South Bend Tribune - South Bend, Indiana

**2. Proposal Review**

A total of twenty-one (21) packets were requested for West Lake FEIS prior to the proposal opening. The request resulted in the receipt of five (5) proposals.

The proposals were evaluated for responsiveness to determine if they could be accepted for further review.

It was determined that the firms submitted all of the necessary forms and met the requirements and were approved by the appropriate NICTD Staff. All forms have been correctly submitted and were found to be within the guidelines set forth by the FTA.

**C. STAFF REVIEW**

**Team Evaluation Review:**

The team was composed of six (6) individuals that evaluated the proposals on:

- Project Understanding / Technical Approach
- Project Management / Execution Plan
- Qualifications of Project Personnel
- Demonstrated experiences in managing similar projects
- Demonstrated capability to properly & timely complete the Project
- Execution of forms and certificates

The evaluations resulted in personal interviews with three of the strongest proposers. These interactive interviews resulted in HDR, Inc. being deemed the strongest proposer. NICTD continued the process of selecting the strongest firm by negotiating scope of work and price as described by the Brooks Method. An agreeable scope of work and price was reached between HDR and NICTD and we have the basis for a successful project that will give the District a quality New Starts grant application.

EVALUATION OF PROPOSALS

| West Lake FEIS              | Totals |      |
|-----------------------------|--------|------|
|                             | Score  | Rank |
| Proposer                    |        |      |
| HDR Inc.                    | 100    | 1    |
| T.Y. Lin International      | 90     | 2    |
| AECOM                       | 55     | 3    |
| Michael Baker International | 50     | 4    |
| Mott MacDonald              | 45     | 5    |

The Independent Cost Estimate (ICE) for West Lake FEIS, both phases, was \$32,016,000.

This work needs to be done in two phases. The first phase includes getting this submission to the FTA for their project rating by July 1, 2017. A detailed scope of services and man hours has been negotiated with HDR for this first phase and it represents \$20,000,000 of the total project cost. The remaining engineering work will be completed when a favorable rating is obtained by the FTA for West Lake and will require approval for an additional \$11,464,780. The phase two work will take the project to a 75% design level and will get the project ready for construction.

HDR's commitment for DBE participation for this phase is 10.92% (\$2,183,740.00).

#### **D. RECOMMENDATION**

The Staff recommends that HDR Inc., Chicago, IL, be awarded the contract for West Lake FEIS Phase One for a not to exceed amount of Twenty Million Dollars and <sup>00</sup>/100 (\$20,000,000.<sup>00</sup>).

The Staff is requesting that the Board grant the General Manager the authority to issue the Notice to Proceed for the West Lake FEIS Phase One at his discretion.

Mr. Noland pointed out to the Board that the HDR Engineering consultant team for Double Track NWI is different than the team working on West Lake. Mr. Noland also noted that many of the subs listed are Indiana firms, including DLZ, Structurepoint, etc.

Mr. Repay motioned to grant the General Manager the authority to issue the Notice to Proceed for the West Lake FEIS Phase One at his discretion. The motion was seconded by Mr. Catanzarite. The motion was approved unanimously.

#### **RIDERSHIP & PERFORMANCE REPORT**

Mr. Parsons informed the board that overall ridership is down 4% through August with average ridership down across all three segments: weekday peak, off peak and weekend/holiday. Some of the decline can attributed to weather. A near rainout during the Saturday of the Air & Water show contributed to 8,000 fewer passengers riding South Shore compared to last year. However, a more likely contributing factor is historically low gas prices throughout the year. Lower gas prices are also affecting Metra ridership.

Ticket revenue, on the other hand, is up 4.3% thru August aided in part by the 2.5% fare increase implemented in July. Most of the increase has occurred in multiple ride and monthly ticket sales. Revenue from Ticket Vending Machines and the Mobile App now account for over 54% of all revenue.

Mr. Parsons stated that the work on the higher speed universal crossovers had a major effect on on-time performance. Rush hour performance increased from 80% to 96% upon completion of the project. Low level platforms are still having an adverse effect on boarding during weekend and off-peak times.

Mr. Parsons introduced Ashley Spyrka of Group 7even and described their complete redesign of the South Shore website and the positive feedback we are receiving. The new website mysouthshoreline.com improves the overall usability of the desktop and mobile experience and offers numerous new resources on what leisure riders can do in South Bend, Northwest Indiana and Chicago. Mr. Parsons stated it also contains a comprehensive listing of commuter perks, with direct links for downloading the app for both Apple and Android. Passenger comments have been very positive. Mr. Parsons pointed out the service delays or disruptions scroll over the top of each page.



Mr. Parsons stated that the NICTD Safety Committee, Police and Operation Lifesaver participated in a very successful station blitz at Hammond and East Chicago during Railroad Safety Week. We reached out to over 1,400 passengers with information expressly designed to change behavior around railroads, the dangers associated with grade crossing collisions and trespassing. This endeavor was so successful that on October 4<sup>th</sup> they will be at Carroll Avenue and on October 6<sup>th</sup> at Dune Park. Mr. Noland stated that this was part of the National Operation Lifesaver.

Mr. Parsons discussed how the Cubs' **MOST EXCELLENT SEASON** could bode well for ridership. With the likely later start of the night games, a Cubs Extra Train will depart Millennium Station 60 minutes following the conclusion of the game. This train will run express to Hegewisch, making all stops to Michigan City. This type of passenger "extra" has been well received when Notre Dame has night games that extend beyond our last regularly scheduled South Bend departure. The Cubs Extra will enable passengers to enjoy the game whether or not it extends to extra innings beyond our final eastbound departure from Millennium Station.

Mr. Parsons noted that there will be several Bears games coming up, four upcoming Notre Dame home games, the Chicago Marathon, the Magnificent Mile Parade and the Thanksgiving Day Parade.

#### **OTHER BUSINESS**

Mr. Noland introduced Nicole Barker, formerly the Executive Director of Save the Dunes as our new Director of Capital Investment and Implementation. Ms. Barker will play an instrumental role in guiding both Double Track and West Lake Corridor projects thru environmental and project development process.

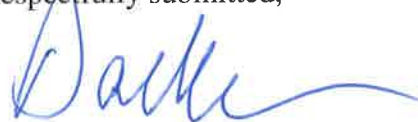
#### **PRESENTATION TO KEITH CASEY**

Mr. Noland thanked Mr. Casey for all the many years of service to the railroad, the riders and citizens. Mr. Noland then presented Mr. Casey with an engraved clock. Mr. Catanzarite spoke to say what a pleasure it has been to work through the years with Mr. Casey, and what a credit it is to Mr. Casey and his staff how well the railroad has run during his tenure.

#### **ADJOURNMENT**

Mr. Catanzarite made a motion to adjourn. The motion was seconded by Mr. Biggs. The motion was approved unanimously. The next NICTD Board Meeting is scheduled for November 18, 2016.

Respectfully submitted,



Dave Decker, Board Secretary