



MINUTES OF EXECUTIVE SESSION

September 28, 2018

An Executive Session was held by the Board on September 28, 2018 at the NICTD offices at 33 East Highway 12, Chesterton, Indiana. The following Board members were present:

Michael Repay
Dan Whitten
Mark Yagelski
Scott Lauerman

Jim Biggs
Andrew Kostielney
David Prancus

Mark Catanzarite
Connie Gramarossa
Christine Cid


Pursuant to the Notice of the Executive Session as posted and disclosed pursuant to Indiana law, the Board discussed the following:

1. Initiation of litigation, pending litigation, and litigation that has been threatened specifically in writing pursuant to I.C. § 5-14-1.5-6.1(b)(2)(B);
2. Collective bargaining pursuant to I.C. § 5-14-1.5-6.1(b)(2)(A); and
3. **The purchase or lease of real property by the governing body up to the time a contract or option to purchase or lease is executed by the parties** pursuant to I.C. § 5-14-1.5-6.1(b)(2)(D)
4. To discuss a job performance evaluation of individual employees pursuant to I.C. §5-14-1.5-6.1(b)(9).

The governing body by approving these minutes certifies that no subject matter was discussed in the Executive Session other than the subject matter contained in the public notice and referred to above.

These Minutes dated the 30th day of November, 2018.

Respectfully submitted,



Mark Yagelski, Secretary

APPROVED:



Michael Repay, Chairman



**NORTHERN INDIANA COMMUTER TRANSPORTATION DISTRICT
BOARD MEETING**

September 28, 2018

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:

Michael Repay
Dan Whitten
Mark Yagelski
Scott Lauerman

Jim Biggs
Andrew Kostielney
David Prankus

Mark Catanzarite
Connie Gramarossa
Christine Cid

OTHERS PRESENT:

Paul Willer-Passenger
Steven Lyons – Passenger
Roy G. Benedict-Passenger
Karie Koehneke-Patrick Engineering, Inc.
Bill Schalliol-St Joseph County
Timothy Whalen – AECOM
Gary Fisk-DLZ
Connor Nolan-HWL

Gerald Williamson – Passenger
Kim Olesker-United Way of Porter County
Joe Crnkovich – NICTD Retired
Greg Price – Passenger
Julie O'Connor – CFWLCP
Marc Arowa-Walsh
Christopher Murphy-ASI
Michele Andres, Group 7even

STAFF PRESENT:

Michael Noland
Chuck Lukmann, Esq.
Anthony Siegmund
Kelly Wenger
Christine Dearing
Bill O'Dea

Amber Ketting
Michael Rowe
Brianna Anderson
Holly Taylor
Justice Anderson
Victor Babin

Jessie Watts, Jr.
Kevin Dywan
Jessie Watts, Jr.
Laura Harrington
Boris Matakovic

CALL TO ORDER

Michael Repay called the meeting to order.

MEETING MINUTES

Mr. Repay requested approval of the minutes from the July 20, 2018 board meeting. Christine Cid motioned to accept the Public Session and Executive Session Board minutes for July 20, 2018. The motion was seconded by Andrew Kostielney. The motion passed unanimously.

PUBLIC COMMENT

Julie O'Connor, resident of Munster, Indiana, requested an update on timing for Real Estate acquisition. Ms. O'Connor also requested information on how one would proceed with qualifying for a hardship acquisition.

PROCUREMENT RECOMMENDATIONS (Purchasing Packet Attached)

Tony Siegmund, NICTD's Purchasing Manager, presented four bid recommendations to the board. The purchasing items were listed in the Recommendations that follow and the Board's vote was requested at the end of each Recommendation.

The first item was a competitive bid for catenary wire. The Staff recommends that Integrity Wire Inc. of Huntington, West Virginia, be awarded the Contract for Catenary Wire for the amount of Three Hundred Sixty Thousand, Two Hundred Thirty Two Dollars 00/100 (\$360,232.00). The Staff is requesting that the Board grant the President the authority to issue the Notice to Proceed for Catenary Wire at his discretion. Upon a motion by Jim Biggs, seconded by Mark Catanzarite, discussion ensued.

Mr. Yagelski asked how much more we have to buy in order to finish the catenary project. Victor Babin, Chief Engineering Officer, responded by stating we will have approximately another 10 miles depending on the location of the South Bend Airport realignment project. Mr. Yagelski questioned any advantages in looking into finishing the line with the possibility of a lower price. Mr. Babin stated that he was previously advised not to speculate on pricing due to volatility.

The board unanimously approved the procurement recommendation for catenary wire.

The second item was a bid for the New Carlisle Station Study. The Staff recommends that Antero Group be awarded the contract for the New Carlisle Station Feasibility Study for a not to exceed amount of Ninety Eight Thousand, Five Hundred Dollars and 00/100 (\$98,500.00). St. Joseph County has agreed to pay for half of the contract amount. The Staff is requesting that the Board grant the President the authority to issue a Notice to Proceed for the New Carlisle Station Feasibility Study at his discretion. Upon a motion by Mr. Catanzarite, the motion was seconded by Ms. Cid.

Mr. Catanzarite asked for a DBE amount. Mr. Siegmund stated there is no DBE participation.

Ms. Gramarossa requested an anticipated timeline on how long the station study would take. Mr. Siegmund stated the station study is expected to be complete by the November 30, 2018 board meeting if the public participation has been completed. If not, it will be presented to the board in January.

The board unanimously approved the procurement recommendation for the New Carlisle Station Study.

The third item was a sole source recommendation for AC Propulsion. Staff is requesting the Board grant the President the authority to enter into a Contract, subject to RDA and IFA approval and subject to receiving a Letter of No Prejudice (LONP) from the FTA prior to the Toshiba quote expiring on October 31, 2018. The contract will be in the amount of Thirteen Million, Six Hundred Eighty Eight Thousand Dollars and 00/100 (\$13,688,000.00) with Toshiba of Houston, Texas for AC Propulsion.

Chuck Lukmann, NICTD Counsel, presented Resolution 10-04, a Resolution authorizing the procurement of the variable voltage variable frequency (“VVFV”) drives from Toshiba International Corporation (“Toshiba”) and making certain written determinations relating to, in conjunction with the sole source recommendation.

Upon a motion by Mr. Catanzarite, seconded by Mark Yagelski, the board unanimously approved Resolution 18-04.

Upon a motion by Mr. Yagelski, seconded by Ms. Cid, the board unanimously approved the sole source recommendation with contingencies for AC Propulsion.

The fourth item was a sole source recommendation for the overhaul of Auxiliary Power Supply (APS) units for the 300 series rail cars. The Staff is requesting the Board grant the President the authority to enter into a Contract for an amount of Four Hundred Sixty Four Thousand, Two Hundred Twenty Four Dollars and 00/100 (\$464,224.00) with Knorr-Bremse Powertech of Mount Olive, New Jersey for the overhaul of the Auxiliary Power Supplies. Upon a motion by Mr. Yagelski, the motion was seconded by Ms. Cid, discussion ensued.

Mr. Catanzarite noted that APS has been problematic and costly for NICTD, and questioned whether we should consider entering into a contract. Mr. Catanzarite questioned if Metra has encountered similar issues. Mr. Noland stated they have had similar issues, but their parts are made from a different company. NICTD is currently working through the issues to resolve performance failures with the APUs since 2009. The current company, Knorr Break, is a worldwide company, which gives us additional comfort due to their deeper engineering bench. Currently, NICTD has not seen as many performance failures as in the past. Working with Knorr, they have suggested that NICTD refurbish these cars every 8 years in order to prevent performance failures, which NICTD will include in part of our capital plan.

The board unanimously approved the sole source recommendation for Auxiliary Power Supply.

PRESIDENT'S REPORT

Mr. Noland addressed Public Comment. A letter was recently sent out to property owners for both West Lake and Double Track on anticipated property acquisitions subject to Federal appropriation and funding. There is also a phone number available for property owners with questions and concerns.

The FTA does allow for hardship acquisitions under specific federal rules. The hardship acquisition is generally done when a grantee does not have the authority to purchase or has not made it through the environmental phase. There is an outreach phone number to for us to receive commentary from the public.

Double Track NWI and West Lake Corridor Project Update.

Mr. Noland provided an update on both the Double Track NWI and West Lake Corridor Projects. The RDA/IFA/NICTD Governance Agreement was passed at the July Board Meeting. Following that meeting, the State Budget Committee was presented the Governance Agreement and the request for the financing package of West Lake. NICTD, RDA and IFA will go back to the State Budget Committee for Double Track project in the near future. Mr. Noland also stated NICTD is currently working on preparing the Double Track financing package for the IFA and RDA boards. NICTD is nearing completion of the Environmental Assessment under NEPA for Double Track. NICTD applied for Entry into Engineering for West Lake on September 4th and is currently working with the FTA on that submission as well as additional information on Double Track.

South Bend Realignment Update.

Mr. Noland advised the Board of the current status of the South Bend Realignment Project. After the July Board meeting a meeting was held with South Bend City Council where NICTD presented possible locations to bring the service into South Bend. Originally the South Bend Realignment consisted of moving NICTD's existing line to the west side of the South Bend International Airport terminal to attain a 90-minute travel time goal to Chicago. The City of South Bend requested that NICTD suspend its study to allow it to explore other alignment options that may be acceptable to the City and NICTD. The City of South Bend hired AECOM to perform these studies. Approximately five potential locations with costs, economic development, and ridership were presented.

South Bend City Council has requested a multi-board meeting including South Bend City Council and the South Shore Line. The board can decide how they want to move forward once the invitation has been received. I recall the board discussing that while all members could decide for themselves if they would like to attend, they felt comfortable that our board members from St. Joseph County were best positioned to handle this request.

App Update 4.0 / Train Tracker

Mr. Noland introduced the South Shore Line App Update 4.0 including additional changes, features, and installation of the train tracker. Boris Matakovic, NICTD Chief Information Officer, reported on Update 4.0 including installation of the train tracker, minimal update issues, what was expected of the update, and what to look forward to.

Federal Railroad Administration-Positive Train Control (PTC) Grant

Mr. Noland informed the board that the Federal Railroad Administration came out with opportunities to receive grant money for Positive Train Control at the end of May. Previously NICTD was unable to receive funding. The previous funding opportunity excluded commuter properties companies that had already had secured funding for the project. The Federal Railroad Administration came out with a new grant request offering money for railroads to apply for some PTC capital support. NICTD put in an application and was notified by the FRA in early August that it had been awarded eight million dollars (\$8,000,000.00) to help with PTC costs. This grant has given NICTD the opportunity to free up money in our capital plan as needed in other areas.

On-Board Surcharge

Mr. Noland informed the board of NICTD's current on-board surcharge policy. The board previously approved the increase from \$1 surcharge to \$2, but there was concern at the time for individuals who are unbanked or underbanked. In regards to the concerns, NICTD held off implementing the surcharge and researched different opportunities for individuals who are unbanked or underbanked. NICTD and BankOn Northwest Indiana created a partnership in order to help individuals understand the advantages of establishing a relationship with a bank in helping to meet their financial goals. NICTD has encouraged riders to utilize credit/debit cards to purchase their tickets versus cash. Christine Dearing, NICTD Chief Financial Officer, discussed the reasoning, the management of cash flow, and implementation of the new POS system. Mr. Noland explained this would be thoroughly promoted prior to implementing January 1, 2019.

After much discussion about the pros and cons involved with adopting the surcharge from the board, it was decided to table the on-board surcharge decision to a later board meeting so the board can receive additional information. Ms. Cid made a motion to defer the on-board surcharge; it was seconded by Ms. Gramarossa. Motion approved unanimously.

TRANSIT ASSET MANAGEMENT PLAN (TAM)

Kelly Wenger, NICTD Grant Administrator, introduced the Transit Asset Management (TAM) Plan. The TAM Plan is mandated in order to stay in compliance with FTA regulations. NICTD's policies, procedures, and organization had been established, the TAM Plan was a matter of combining the documents and ensuring they coordinated properly. The TAM Plan requires us to document how we spend our capital in order to maintain our assets in a state of good repair. Upon a motion by Mr. Cantanzarite, seconded by Mr. Yagelski, the board approved the Transit Asset Management Plan.

POLICIES

Mr. Lukmann introduced Resolution 18-05, adopting the **Public Records Policy**. Mr. Lukmann informed the board the reason for the policy and what it would entail. Upon a motion by Mr. Catanzarite, seconded by Mr. Biggs, the board unanimously approved Resolution 18-05.

Mr. Lukmann introduced Resolution 18-06, covering the adoption of a **Solicitation Policy**. Mr. Lukmann informed the board the reason for the policy and what it would entail. Upon a motion by Mr. Catanzarite, seconded by Ms. Cid, the board unanimously approved Resolution 18-06.

TICKET SALES, ADVERTISING, AND MARKETING REPORT

Michelle Andres, President of Group7even, presented a Marketing Report including current market tactics utilized versus previous marketing concerns. Ms. Andres summarized new strategies implemented including branding, website redesign, station upgrades, advertising, social media growth and campaigns.

Ms. Wenger presented the **Ticket Sales, Advertising and Marketing Report**. Ms. Wenger highlighted the number of tickets purchased digitally.

Ms. Wenger summarized events including Teachers Ride Free program, Lollapalooza, Notre Dame, Cubs, Sox, Bears Games, Chicago Marathon, Garth Brooks, and end of the season for the Bike program.

OPERATIONS REPORT

Ms. Wenger explained trends in **Ridership** from 2018 in comparison to 2017. She explained that overall ridership through June is down 1.6% in 2018, and she noted that average weekend ridership over that period is only down by 0.3%.

Bill O'Dea, Chief Operating Officer, commented on **On-Time Performance**. He discussed the range of delays and indicated that of those trains that were delayed, 50% are in the 5-10 minute (short duration) range and over half of those affected are non-rush hour trains.

Mr. O'Dea stated every year NICTD works hard to establish and secure a **Winter Preparedness Plan**, including making sure our employees keep in mind our individual responsibility to create a safe work environment.

Mr. O'Dea announced that with the help of many colleagues, NICTD transferred the **South Bend Fire Training Car** to South Bend and onto the training facility.

Victor Babin, Chief Engineering Officer, reported the current status of **Positive Train Control (PTC)** including anticipated completion dates.

Mr. Noland announced the South Shore Line will be participating in National Rail Safety Week September 24-28, 2018 to further increase public awareness of rail safety, promote education, and enforce safety measures. During Railroad Safety Week, the South Shore Line will provide educational information regarding dangers around the railroad, the safety measures employed by the SSL and the responsibility of the public in preventing accidents, including proper safety measures at stations & platforms, boarding & exiting train cars, parking cars, riding the train, observing railroad crossing laws, and emergency protocols.

OTHER BUSINESS

None.

ADJOURNMENT

The next meeting is scheduled for November 30, 2018. Mr. Prankus made a motion to adjourn. The motion was seconded by Ms. Cid. The motion passed unanimously.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'M. Yagelski', with a long horizontal flourish extending to the right.

Mark Yagelski, Board Secretary

PROCUREMENT RECOMMENDATIONS

Bid:

- **Catenary Wire**

Proposals:

- **New Carlisle Station Study**

Sole Source:

- **AC Propulsion - Toshiba**
- **Auxiliary Power Supply (APS) - Knorr-Bremse Powertech**

**RECOMMENDATION
ENGINEERING
Catenary Wire
September 28, 2018**

A. SCOPE

The Engineering Department has requested bids for catenary wire. The wire is to be used on the Phase III Catenary upgrade project being performed east of Michigan City. Bids were solicited and a public bid opening was held at the Dune Park Offices on Friday, September 14, 2018.

B. ADMINISTRATIVE REVIEW

1. Legal Notifications

The request for catenary wire was advertised throughout the region and nationally. The legal advertisements were placed in the following publications:

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

2. Bid Review

A total of three (3) packets were requested for catenary wire prior to the bid opening. The request resulted in the receipt of one (1) bid.

The lack of interest in this bid is due to the limited suppliers for the trolley wire due to its inclusion of Cadmium. There is currently only one known supplier of this trolley wire in the states. The last time trolley wire was purchased also resulted in only one bid.

3. DBE and Required Forms

The bid was evaluated for responsiveness to determine if the bid could be accepted for further review.

It was determined that Integrity Wire's bid submitted all necessary forms and requirements and was approved by the appropriate NICTD Staff. All forms were correctly submitted and were found to be within the guidelines set forth by the Federal Transit Administration (FTA).

Name	Form 95	Eligible Bidder	Lower Tier	DBE %	Non-Discrim,	Rest. Lobby	Drug Free	Buy America	Cert. of Qual.	Illegal Act.	Iran Invst.
Integrity Wire Huntington, WV	X	X	X	60%	X	X	X	X	X	X	X

C. ENGINEERING REVIEW & COST ANALYSIS

The bid was responsive and took no exceptions to the technical specifications. There were no alternates or options associated with this bid.

Engineer’s estimate:	\$346,360
Lowest & responsive bid:	\$360,232
Lowest & most responsive bid was 4% more than staff estimate	\$ 13,872

The increase in cost is due to increased steel cost for the messenger cable. The messenger cable has an internal steel cable for strength.

Integrity Wire Huntington, WV 25705	2017 \$/Linear FT	Quantity (LF)	2018 \$/Linear Ft	Extended Amount
Trolley Wire	\$7.77	29,600	\$7.71	\$228,216
Messenger Wire	\$3.59	29,600	\$4.46	\$132,016
GRAND TOTAL				\$360,232

D. DELIVERY

Integrity Wire can meet the District’s delivery schedule for the first quarter of 2019.

E. RECOMMENDATION

The Staff recommends that Integrity Wire Inc. of Huntington, West Virginia, be awarded the Contract for Catenary Wire for the amount of Three Hundred Sixty Thousand, Two Hundred Thirty Two Dollars ⁰⁰/100 (\$360,232.00).

The Staff is requesting that the Board grant the President the authority to issue the Notice to Proceed for Catenary Wire at his discretion.

**RECOMMENDATION
ENGINEERING
New Carlisle Station Study
Proposal
September 28, 2018**

A. SCOPE

The District is looking to engage an engineering firm to provide a feasibility study for a station in New Carlisle. Bill Schalliol made a presentation at the July board meeting on the preliminary work done on this project by St. Joseph County. The areas to be addressed in the study are travel market assessments, rail operation impacts, potential community impacts, construction feasibility and potential economic development impacts.

B. ADMINISTRATIVE REVIEW

A total of five (5) packets were distributed for the New Carlisle Feasibility Study. The request resulted in the receipt of two (2) proposals. AECOM and Antero Group were the two proposing firms.

C. STAFF REVIEW

Team Evaluation Review:

The team was composed of four (4) individuals that evaluated the proposals on:

- Recognition of Problems and Objectives
- Firm's Previous Experience
- Qualifications of Project Personnel
- Technical Approach and Schedule
- Execution Plan

The evaluations resulted in Antero Group being selected as the strongest proposer. The firm has extensive experience in St. Joseph County and had the best technical approach to the study. The District evaluators and St. Joseph County representatives interviewed Antero Group and all parties have a good understanding of the study and have highlighted all the key elements for the study from both stakeholders. The Independent Cost Estimate (ICE) for the New Carlisle Station Feasibility Study was \$100,000.

D. RECOMMENDATION

The Staff recommends that Antero Group, be awarded the contract for the New Carlisle Station Feasibility Study for a not to exceed amount of Ninety Eight Thousand, Five Hundred Dollars and ⁰⁰/100 (\$98,500.⁰⁰). St. Joseph County has agreed to pay for half of the contract amount.

The Staff is requesting that the Board grant the President the authority to issue a Notice to Proceed for the New Carlisle Station Feasibility Study at his discretion.

RECOMMENDATION
MECHANICAL
AC Propulsion - Toshiba
September 28, 2018

SOLE SOURCE RECOMMENDATION:

The District is getting prepared to start an end life rehabilitation for 48 rail cars. Part of this scope of work is to replace the AC propulsion units. Toshiba is the OEM for this equipment. The District switched over to AC propulsion from DC in 2000 and these units have given the reliability expected during the conversion. The mechanical department has been working with Toshiba on a refurbishment program for these propulsion units due to the increased failures over the years and have received a formal quote and solidified a production slot for this work in 2019.

The schedule for this work includes 10 months of engineering design, the delivery of 18 sets in 2019 and 32 sets delivered in 2020. These production amounts account for 2 spare units. Due to the funding mechanisms of this procurement and the many components being used in these propulsion units, the District has hired a consultant to perform a pre-Award Buy America audit and also a cost analysis. This independent audit ensures that Toshiba complies with all FTA Buy America regulations and also gives access to detailed cost data of this manufacturing process to confirm we are being charged a fair price for these components. The audit was completed and Toshiba exceeded the Buy America requirements by 10%.

The District purchased a small quantity of these propulsion units in 2015 and these costs with inflation adjustments were the basis of our independent cost estimate (ICE). The ICE for each unit was \$308,000 and totals \$15,400,000 for 50 total units. The Toshiba quote received is 11% less than the ICE and the difference is due to the economies of scale for a commitment on this larger order. The District's consultant also had access to Toshiba's detailed cost breakdown for these units during the Buy America audit and confirmed that these costs are fair and reasonable.

The District is also requesting a Letter of No Prejudice (LONP) from the FTA on this procurement as it relates to the West Lake project. Thirty Two (32) of the refurbished end of life cars are slotted for use on the West Lake project and we need a LONP in order to enter into a contract with Toshiba that would commit use of West Lake funds prior to West Lake entering Engineering. If a LONP is granted, then 32 of the 50 units would be charged to the West Lake project.

The Staff is requesting the Board grant the President the authority to enter into a Contract, subject to RDA and IFA approval and subject to receiving a Letter of No Prejudice (LONP) from the FTA prior to the Toshiba quote expiring on October 31, 2018. The contract will be in the amount of Thirteen Million, Six Hundred Eighty Eight Thousand Dollars and 00/100 (\$13,688,000.00) with Toshiba of Houston, Texas for AC Propulsion.

**RECOMMENDATION
MECHANICAL
Auxiliary Power Supply (APS)
September 28, 2018**

SOLE SOURCE RECOMMENDATION:

NICTD passenger cars are equipped with Auxiliary Power Supplies (APS) that convert the 1500 volt DC input voltage from the overhead catenary into various levels of AC and DC voltage that are required to power the cars. The APS units are proprietary and manufactured by Knorr-Bremse Powertech Corporation, which is the OEM.

The District currently has fourteen (14) of these units in service on the double decker 300 series cars and seven (7) spare units. Five (5) of these spare units were purchased in 2015 due to the increased failures we experience in the winter months. The manufacturer has been consulted on the increased failures and recommends an overhaul of these units every eight (8) years.

The District has prepared an Independent Cost Estimate for the work described and due to the recent repair costs on failed units has determined that the total ICE for this procurement would be \$579,088 (\$36,193 each). The District received an initial quote to refurbish sixteen (16) of these units for \$483,840. The District also requested an economies of scale review if all 16 units were done in 16 months, which resulted in a reduction of \$19,616. The revised quote for this contract is \$464,224 (\$29,014 each). The District has identified the costs for this rebuild as fair and reasonable.

The Staff is requesting the Board grant the President the authority to enter into a Contract for an amount of Four Hundred Sixty Four Thousand, Two Hundred Twenty Four Dollars and 00/100 (\$464,224.00) with Knorr-Bremse Powertech of Mount Olive, New Jersey for the overhaul of the Auxiliary Power Supplies.