



**NORTHERN INDIANA COMMUTER TRANSPORTATION DISTRICT
BOARD MEETING**

January 27, 2017

**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:

Mark Yagelski
Mark Catanzarite
Andrew Kostielney
Michael Gonder

Christine Cid
David Prancus
Scott Lauerman

Michael Repay
Jim Biggs
Andrew Bozak

OTHERS PRESENT:

Adam Wojasinski – Leg. Rep. Smart TP 1526
Michelle Andres – Group 7even
Randy Strasser – US Engineering
Roy G. Benedict – Passenger
Gerald Williamson – Passenger
Tim Zorn – Post-Tribune

Gary Foyle – AECOM
Chuck Compton – South Shore Freight RR
Greg Price – Passenger
Paul F. Willer – Passenger
George Rogge – MCC
Fred Owens – Harry O. Hefter Associates

STAFF PRESENT:

Michael Noland
Chuck Lukmann, Esq.
Anthony Siegmund
Lisa J. Johnson
Laura Harrington

John Parsons
Christine Dearing
Bill O'Dea
Joe Crnkovich
Steve Plesha

Nicole Barker
Boris Matakovic
Victor Babin
Bjarne Henderson
Robert Byrd

CALL TO ORDER

Board Counsel, Mr. Lukmann, called the meeting to order.

Mr. Lukmann asked the Board for nominations for Chairman of the Board for 2017. Mr. Catanzarite nominated Mark Yagelski. The motion was seconded by Mr. Repay. The motion was approved unanimously.

Mr. Yagelski, as duly elected Chairman for 2017, requested nominations for the office of Secretary. Mr. Catanzarite nominated Mr. Repay for Secretary. Mr. Kostielney seconded that motion. The motion was approved unanimously. Mr. Catanzarite nominated Christine Cid as Vice Chairman. Mr. Kostielney seconded that nomination. The motion was approved unanimously. Ms. Cid nominated Mr. Catanzarite for Treasurer. The motion was seconded by Mr. Kostielney. The motion was approved unanimously.

MEETING MINUTES

Mr. Yagelski requested approval of the minutes from December 16, 2016. Mr. Catanzarite motioned to accept the Public Session and Executive Session Board minutes for December 16, 2016. The motion was seconded by Mr. Repay. The motion was approved unanimously.

PUBLIC COMMENT

No public comments.

INTRODUCTION OF NEW BOARD MEMBERS

Mr. Yagelski introduced two new members of the board, Michael Gonder, Commissioner from LaPorte County, and Andrew Bozak, from the Porter County Council.

GENERAL MANAGER'S REPORT

Legislative Update re Double Track. Mr. Noland stated that NICTD's double tracking project is in the Governor's Budget, which is HB1001. The Governor has a placeholder in his budget for \$10,000,000 a year beginning in 2019, as an indication of his support of our project. Mr. Noland advised the board that he has held numerous meetings with senate and house legislators about the project and indicated that NICTD has widespread bipartisan support for the project. Mr. Noland has spoken with representatives throughout our four county area and several outside of our immediate area as well, including but not limited to Senator David Long, House Speaker Brian Bosma and Representative Tim Brown.

In addition to HB 1001, NICTD is also involved with another legislative bill, HB1260. Mr. Noland stated that this bill seeks to change our eminent domain powers. He stated that the bill clarifies that as part of our land acquisition work with the Federal Transit Administration, we are required to use the federal process following the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Uniform Act). The bill allows NICTD to negotiate with a property owner using the federal process rather than the state process for eminent domain as it is more favorable to the property owner than the state process.

Mr. Lukmann added that it would be a change to the pre-litigation process with regard to an offer and subsequent negotiations. Municipal corporations in Indiana, under Indiana law, have to obtain two appraisals, and they cannot offer more than the average of the two appraisals to the property owner. Under federal law, we will get at least one appraisal and then a review appraisal. The District would then set the offer. Without this new legislation, the District would be in direct conflict with Indiana law. Mr. Lukmann reiterated to the Board that in order to accept federal money, the District must agree to follow the Uniform Act's federal procurement policies. An exception to using the State's eminent domain requirements exists in the Indiana Statute for Right of Way Roadway Acquisition projects using federal funds. This does not currently apply to the District. Mr. Lukmann stated that this would be a simple change, and he thanked Representative Soliday for championing this bill for the District.

Mr. Yagelski stated that the LaPorte County Commissioners and LaPorte County Council both passed resolutions in support of Double Track Northwest Indiana (NWI). Mr. Noland stated that as the District progresses toward obtaining state funding, it will be important for the remaining three counties and cities to also pass similar resolutions in support of the project.

Review of 2016. Mr. Noland reflected on the work of the District in 2016. He stated that we entered Project Development with the Federal Transit Administration (FTA) for both Double Track NWI and West Lake Corridor projects. The federal government has reviewed our projects and has deemed them worthy to advance as the FTA will not grant entry into Project Development unless the projects have a strong likelihood of success. Monies spent on both projects after entry into Project Development count towards the 50% local share once they are awarded Full Funding Grant Agreements (FFGA), Mr. Noland stated that the District just published its Draft Environmental Impact Statement (DEIS) for the West Lake Corridor Project. Mr. Noland reminded the Board that at the Special Board Meeting on December 16, 2016, the Board adopted the staff recommended preferred alternative. He further stated that the District recently held three public hearings for the West Lake Corridor project in Hammond, Munster and Dyer. These proceedings were well attended. The formal comment period required as part of the DEIS process will end February 3rd. The NEPA process requires that the FTA and NICTD review and respond to the comments as part of the combined Final Environmental Impact Statement and Record of Decision.

Mr. Noland stated that the District has worked hard to ensure that the public has access to the information about the West Lake Corridor Project on our website; and comments are encouraged.

Mr. Noland further stated that we are conducting an Environmental Assessment for the Double Track NWI project. Formal public hearings are being planned for the summer of 2017. The District is also making sure the public is aware of the Double Track NWI project and has access to all information as well. Mr. Noland informed the Board of a milestone reached with Michigan City in November 2016 when both parties executed an agreement to double track through downtown Michigan City along 11th Street (including grade crossing closures) and relocating the railroad out of 10th St. west of Amtrak. This was a landmark agreement for us and for Michigan City. Mr. Noland showed the Board Double Track NWI renderings of the proposed plans for Miller (west of Lake Street in Gary).

Mr. Noland also noted the completion of the "Infill Building" which is a critical expansion of our rolling stock maintenance and repair facility in Michigan City. This facility will accommodate two cars and was constructed to house the rolling stock installation elements of our Positive Train Control (PTC) project. Mr. Noland explained that the District will install Positive Train Control on two of our rail cars per month until the project ends in 2018. This building came in on time and under budget by contractor Larson-Danielson.

Mr. Noland reminded the Board that the District installed three #20 high-speed crossovers along the rail system during the year for the primary purposes of enhancing safety and improving operations. The District also installed an OWLS (one-way-low-speed) diamond in Gary near Centennial Steel which allows an increase of speed from 25 mph to 60 mph over this crossing of the former EJ&E. At 11th Street in Michigan City, where the existing rails are embedded in the asphalt, the District replaced several thousand feet of ballast, crossties and rail. A new bridge span was also installed in 2016 over the CN east of Cline Avenue. This new bridge span was accomplished with only a 13 day outage.

New guardrail was installed in 2016 by the Illinois Department of Transportation (IDOT) along Brainard Avenue east of Burnham Ave. in Hegewisch (Chicago) to protect the District's catenary structures from vehicular damage. The new guardrail has already been damaged three times preventing the incursion of vehicular traffic on to our right of way.

Mr. Noland explained that work continues to progress eastward toward South Bend to finish up the overhead catenary wire project. There remains about 20 miles of overhead wire to replace.

With respect to Positive Train Control, Mr. Noland advised that the District expects to meet the federal deadline of 12/31/18 as planned. Mr. Noland advised the Board that we will have a representative from Parsons Transportation Group at the March Board meeting.

Other projects from 2016 include the replacement of seats on our 1982 fleet, the completion of the installation of WiFi on all our rail cars, and the start of the bikes on trains weekend project. The District also acquired spare power units to improve the reliability of the 300 Series cars. He also observed that while the District's ridership is down about 3% on November 4th, the District set a 108 year record when it transported over 29,000 people for the Chicago Cubs' World Series Championship Parade.

Mr. Noland stated that operating expenses before depreciation are up 5.8% in part due to a large increase the cost of healthcare benefits. The District's operating revenue is up 3.5% to \$21,600,000. We continue to drive ticketing to either the vending or mobile app. Since the completion of the universal crossover project, the District on-time performance has been close to 94% in the rush hour for the last six months.

CONSIDERATION & ADOPTION OF 2017 BUSINESS PLAN AND CAPITAL PLAN.

Mr. Noland stated that we continue to run the westbound Sunrise Express Train 6 that was started a few years ago, along with its eastbound companion Train 11. We also have enhanced Train 106 out of Michigan City. He stated that these express trains are the future of the railroad and that more "skip-stop", limited stop trains will be feasible once we have the double tracking project complete.

Mr. Noland discussed the 2.5% fare increase implemented in July 2016. Another fare increase will occur in summer of 2017 and will be used solely to support capital projects. Mr. Noland informed the Board that our 2.5% July increase maintained the \$.50 fare differential between Hegewisch (Metra fare driven) and Hammond. Metra is raising their fares about 6% at Hegewisch on February 1; so we will still have the differential from our first 2.5% increase. Our operating revenue is expected to increase about \$1,300,000, or 6%, this year. Our operating costs increase is expected to be \$2,300,000. A large part of this increase is the cost of health insurance for our union employees. Our capital funds from the state are expected to increase. The primary source of state capital assistance is from the Indefinite Situs Tax – a tax on leased freight cars operating through the state. We are expecting an increase in federal capital funding as well.

Salaries and fringe benefits represent over 60% of our operating budget. Our traction power (NIPSCO) is the next largest cost. Our Business Plan for 2017 projects passenger fares of \$22,800,000. We will receive a small amount of parking revenue from Hegewisch. Bringing our total anticipated operating revenue to \$22,900,000. Operating expenses total approximately \$49,200,000. This leaves an operating deficit of \$26,300,000. We receive \$5,200,000 from the federal government for maintenance grants, Metra pays us \$3,700,000 per year to operate service from Hegewisch, we receive an annual maintenance fee from South Shore Freight - which in 2017 is projected to be \$1,200,000. We also have some small revenue adjustments. After considering all sources of revenue, we expect state funding to cover the balance of net deficit of \$15,800,000.

2017 Major Capital Projects:

One of our major capital programs for 2017 is continuing progress on Positive Train Control. There are several categories involved with PTC that are central to making our 2018 deadline.

We continue working on the engineering for a new entrance to the East Chicago Station. We received a grant from the FRA to help us enhance the East Chicago station's ingress/egress as well as installation of #20 crossovers to improve train operations as we enter and exit East Chicago.

We will finish the environmental and preliminary engineering on the Double Track NWI and West Lake Corridor projects. Our goal is to get these projects to the federal government by next fall for a rating.

We also have included \$1,000,000 in the capital program to undertake engineering and environmental work to move our access to South Bend International Airport from the east side to the west side of the airport. This is an essential element of our goal to achieve 90 travel time from South Bend travel to Chicago.

Vic Babin advised the Board that we are working with INDOT on 19 grade crossing upgrades. Most are located in LaPorte County, a few are located in Porter County with one in St. Joseph County.

Mr. Noland stated that we are upgrading all of our electrical substations over the next 10 years. We completed Wickliffe, and are currently working on Madison (in Gary), and eight other substations will follow.

Mr. Noland stated we are continuing to work the wire project as we get from Michigan City to South Bend. We are installing the foundations and supports for feeder cables in 2017. This portion of the catenary renewal project will not require busing this year.

Mr. Noland informed the Board that the bridge near Kensington where NICTD joins Metra will be replaced. He further informed that we will be painting the Columbia and Broadway bridges. The platform elevator at Gary Metro will be replaced, the west headhouse escalator will be replaced with stairs.

Approval of 5 Year Capital Plan:

Mr. Noland referred to the proposed Five Year Capital Program presented to the Board. The federal government prefers to see a board-adopted five year plan. The origin of this plan is the plan previously provided to the Northern Indiana Regional Planning Commission (NIRPC). As indicated in the plan, the West Lake project has no federal share at this point, but has a \$20,000,000 local share being funded by the RDA for the engineering and environmental work. He further indicated we have \$4,000,000 for the Double Track NWI project, with \$25,000,000 for

Positive Train Control. This annual program received from the federal government falls under Section 5337, which is the State of Good Repair Funding. Generally there is approximately \$17,500,000 available from the federal government, which is matched with 20% local funds. Mr. Noland stated that the annual capital program is approximately \$21-\$22,000,000 per year outside of the major elements to the program. The annual capital program consist of bridges, the South Bend relocation, Positive Train Control, mid-life upgrades for the rail cars, track equipment and work to continue the overhead catenary replacement. These are carried forward each year. Going to 2018, the West Lake amount increases to \$50,000,000 locally, \$20,000,000 for Double Track, and then there is money put in the plan to move forward on the airport project if local funding is located.

Mr. Noland discussed the fact that 2019 is the beginning of big construction. On the Double Track NWI project there is \$110,000,000, \$91,000,000 is for West Lake real estate acquisition, engineering and environmental services, a total of \$5,000,000 for the South Bend alignment for construction and real estate activity. Mr. Noland further stated that 2020 shows that West Lake construction is \$231,000,000. This will be the first construction year for West Lake. For Double Track, we have \$120,000,000, with the South Bend realignment having the balance of funds to complete construction to get to the west end of the airport. Mr. Noland pointed out to the Board that there is \$5,000,000 beginning in 2020 from local share with \$10,000,000 from the federal funds for rolling stock acquisition. The fleet is getting older and in the 20 Year Strategic Plan adopted by the Board several years ago, in 2020 we looked to begin the process to replace some of the older rolling stock. This will allow us to add additional service. Mr. Noland stated that this fits well with the extra service that West Lake will provide along with the increased service that will be undertaken with the Double Track NWI project. He indicated that the plan for South Bend, calls the submission of a TIGER Grant. He indicated that as much as 80% of project funding could be requested. However, overmatched requests fare better.

The Double Track NWI project should be completed by the end of 2020; however, Mr. Noland stated that there are funds included in 2021 to complete close-out costs. He further stated that there is money in the plan for West Lake and also for rolling stock. Substation improvements are also included.

Mr. Noland stated that the Board has done a phenomenal job bringing the railroad up to a state of good repair. Mr. Noland recommended that the Board adopt the \$1,100,000,000 Capital Program submitted by staff. He concluded that with approval and execution of this capital plan, the face of this railroad will look significantly different when this five year period is done.

Mr. Yagelski asked if there were any questions regarding the business plan. There were no questions.

Mr. Biggs motioned to adopt the Five Year Business Plan. The motion was seconded by Ms. Cid. The motion was approved unanimously. Mr. Catanzarite motioned to adopt the Five Year Capital Plan. The motion was seconded by Mr. Biggs. The motion was approved unanimously.

CHIEF FINANCIAL OFFICER

Mr. Noland informed the Board that he has appointed Christine Dearing as Chief Financial Officer. Ms. Dearing has been the Acting CFO since Mr. Casey's retirement. He stated that she has done a phenomenal job since taking over the job in September. Mr. Noland stated that he has confidence in Ms. Dearing and congratulated Ms. Dearing on becoming our new Chief Financial Officer.

RESOLUTION 17-01 APPROVING THE POLICY OF THE DISTRICT ESTABLISHING INTERNAL CONTROL STANDARDS AND ESTABLISHING A MATERIALITY THRESHOLD

Mr. Lukmann discussed that the Board Members have their own individual experiences with internal control standard requirements for the State Board of Accounts. Resolutions either have been, or will be in the near future, adopted per these requirements. Mr. Lukmann drafted and Mr. Noland adopted Resolution 17-01. Mr. Lukmann now is requesting Board approval on Resolution 17-01. Mr. Lukmann read the title into record: "A Policy of the Northern Indiana Commuter Transportation District Establishing Internal Control Standards and Establishing a Materiality Threshold."

Mr. Biggs motioned to adopt Resolution 17-01. The motion was seconded by Ms. Cid. The motion was approved unanimously.

RIDERSHIP AND PERFORMANCE REPORT

Mr. Parsons discussed digital/electronic sales vs. in-person sales. He stated that 55% of purchases on a revenue basis are made through the smartphone app and ticket vending machines

Mr. Parsons indicated that ridership is down approximately 3% over the previous year. He indicated that Metra, too, is showing lower ridership with roughly a 5% loss for the Metra Electric District through October 2016. Mr. Parsons stated that Group 7even is doing a tremendous job marketing for NICTD. Mr. Parsons went on to state that rush hour on-time performance of 84.7% increased to 93.7% after the universal crossover work was completed.

Mr. Parsons referenced Metra's February 1, 2017, fare increase. He also discussed upcoming events and holidays.

For the benefit of the new Board Members, Mr. Parsons provided parameters for on-time service and performance. He stated that NICTD utilizes an industry standard.

Mr. Noland also informed the Board that we plan to expand the bikes on trains program to include weekday rush hour Trains 6, 106, 11 and 111. This information will be included in an April 1st schedule change.

**RECOMMENDATION
TRACK DEPARTMENT
Rail 115# RE
January 19, 2017**

A. SCOPE

The Maintenance of Way Department has requested bids for Rail 115#RE to be used in the replacement of rail at various locations with the balance for inventory. Bids were solicited for Rail 115#RE and a public bid opening was held at the Dune Park Offices on Thursday, January 19, 2017.

B. ADMINISTRATIVE REVIEW

1. Legal Notifications

The request for rail 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 website

2. Bid Review

A total of ten (10) packets were requested for the rail prior to the bid opening. The request resulted in the receipt of two (2) bids.

3. DBE and Required Forms

The bids were evaluated for responsiveness to determine if the bids could be accepted for further review.

It was determined that all necessary forms and requirements have been submitted 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 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.
A&K Railroad Materials Hobart, IN	X	X	X	0.4%	X	X	X	X	X	X	X
L.B. Foster Co. Pittsburgh, PA	X	X	X	0.8%	X	X	X	X	X	X	X

C. ENGINEERING REVIEW & COST ANALYSIS

The Bids were evaluated for responsiveness to the technical specifications. All bidders were responsive and took no exceptions to the technical specifications. There were no alternates or options associated with this bid.

Engineer's estimate:	\$620,267.00
Lowest & responsive bid:	\$660,001.60
Lowest & most responsive bidder was 6.0% more than staff estimate	\$39,734.00

A&K Railroad Material's DBE amount was 0.4%. (\$2,595.00)

Name	Location	Rail Length	Qty Pieces	LF	Cost per LF	Total Cost
A&K Railroad Materials Hobart, IN	Michigan City CP 34.5	115#RE 240'	11	2,640	\$19.38	\$51,163.20
	Calumet Ave MP 68.32	115#RE 80'	5	400	\$19.36	\$7,744.00
	Ogden Dunes MP 50.8	115#RE 80'	4	320	\$18.66	\$5,971.20
	Roeske Ave. Yard	115#RE 80'	4	320	\$18.66	\$5,971.20
	E of Michigan City	115#RE 1600'	15	24,000	\$19.38	\$465,120.00
	South Bend	115#RE 1600'	4	6,400	\$19.38	\$124,032.00
	TOTAL CONTRACT AMOUNT					\$660,001.60

L.B. Foster Co.	Michigan City CP 34.5	115#RE 240'	11	2,640	\$29.13	\$76,903.20
Pittsburgh, PA	Calumet Ave MP 68.32	115#RE 80'	5	400	\$13.59	\$5,436.00
	Ogden Dunes MP 50.8	115#RE 80'	4	320	\$13.59	\$4,348.80
	Roeske Ave. Yard	115#RE 80'	4	320	\$13.59	\$4,348.80
	E of Michigan City	115#RE 1600'	15	24,000	\$18.84	\$452,160.00
	South Bend	115#RE 1600'	4	6,400	\$18.84	\$120,576.00
	TOTAL					\$663,772.80

D. DELIVERY

A&K Railroad Materials can meet the District's delivery schedule for 2017.

E. RECOMMENDATION

The Staff recommends that A&K Railroad Materials, Hobart, IN, be awarded the 2017 MOW Contract for Rail 115# RE Strings in the amount of Six Hundred Sixty Thousand One Dollar ⁶⁰/100 (\$660,001.60).

The Staff is requesting that the Board grant the President the authority to issue the Notice to Proceed for the Rail 115# RE Strings at his discretion.

Mr. Repay motioned to grant the President the authority to issue the Notice to Proceed for the Rail 115# RE Strings at his discretion. The motion was seconded by Mr. Bozak. The motion was approved unanimously.

**RECOMMENDATION
TRACK DEPARTMENT
TIES
Bid**

January 19, 2017

A. SCOPE

The Maintenance of Way Department has requested bids for Track Material to be used in the 2017 maintenance season. Bids were solicited for ties and a public bid opening was held at the Dune Park Offices on Thursday, January 19, 2017.

B. ADMINISTRATIVE REVIEW

1. Legal Notifications

The request for ties 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 - Gary, Indiana
South Bend Tribune - South Bend, Indiana
NICTD website

2. Bid Review

A total of six (6) packets were requested for the ties prior to the bid opening. The request resulted in the receipt of three (3) bids.

3. DBE and Required Forms

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

It was determined that two of the firms submitted all the necessary forms and were approved by the appropriate NICTD Staff. Missouri Tie, LLC did not present any DBE participation and did not make a good faith effort. Missouri Tie, LLC was deemed non-responsive for this reason. Delivery is a substantial portion of the Tie contract and the other two firms were able to identify DBE trucking firms for their participation.

Name	Form 95	Eligible Bidder	Lower Tier	DBE %	Non-Discrim.	Rest. Lobby	Drug Free	Buy America	Cert. of Qual.	Illegal Act.	Iran Invst.
Stella-Jones Corp. Pittsburgh, PA	X	X	X	11.0%	X	X	X	X	X	X	X
Natural Wood Solutions Indianapolis, IN	X	X	X	12.9%	X	X	X	X	X	X	X
Missouri Tie, LLC Bunker, MO	X	X	X	0%	X	X	X	X	X	X	X

C. ENGINEERING REVIEW & COST ANALYSIS

The Bids were evaluated for responsiveness to the technical specifications. All companies were responsive and took no exceptions to the technical specifications. There were no alternates or options associated with this bid.

The lowest and most responsive bid for Ties is \$703,921.60. This is 19.5% (\$137,403.40) less than the engineer's estimate of \$841,324.00.

Stella-Jones Corporation's DBE amount is 11.0% (\$81,765.00).

Ties	Qty	Stella-Jones Corp.		Natural Wood Solutions		Missouri Tie, LLC	
		Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost
Cross Ties	12,000	\$53.73	\$685,057.50	\$57.95	738,862.50	\$52.00	\$663,000.00
Sw Tie 9'	30	\$67.71	\$2,031.30	\$64.77	\$1,943.10	\$66.15	\$1,984.50
Sw Tie 10'	20	\$75.18	\$1,503.60	\$72.38	\$1,447.60	\$73.50	\$1,470.00
Sw Tie 11"	50	\$82.76	\$4,138.00	\$81.34	\$4,067.00	\$80.85	\$4,042.50
Sw Tie 12'	20	\$90.28	\$1,805.60	\$84.75	\$1,695.00	\$88.20	\$1,764.00
Sw Tie 13'	20	\$100.88	\$2,017.60	\$95.42	\$1,908.40	\$95.55	\$1,911.00
Sw Tie 14'	40	\$109.32	\$4,372.80	\$98.84	\$3,953.60	\$102.90	\$4,116.00
Sw Tie 17'	20	\$149.76	\$2,995.20	\$126.64	\$2,532.80	\$124.95	\$2,499.00
TOTAL		\$703,921.60		\$756,410.00		\$680,787.00	

NICTD's Engineering Dept. has reviewed the bids and technical specifications and has deemed Stella-Jones Corp. as a competent supplier.

D. DELIVERY

Stella-Jones can meet the District's delivery schedule for 2017.

E. RECOMMENDATION

The Staff recommends that Stella-Jones Corp., Pittsburgh, PA, be awarded the 2017 Contract for Ties in the amount of Seven Hundred Three Thousand Nine Hundred Twenty-one Dollars ⁶⁰/100 (\$703,921.60).

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

Mr. Repay motioned to grant the President the authority to issue the Notice to Proceed for the Ties at his discretion. The motion was seconded by Mr. Kostielney. The motion was approved unanimously.

**RECOMMENDATION
LINE & SIGNAL DEPARTMENT
CATENARY WIRE
Bid
January 20, 2017**

A. SCOPE

The Line & Signal Department has requested bids for Catenary Wire to be used in the 2017 maintenance season and catenary replacement. Bids were solicited for catenary wire and a public bid opening was held at the Dune Park Offices on Friday, January 20, 2017.

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 - Gary, Indiana
South Bend Tribune - South Bend, Indiana
NICTD website

2. Bid Review

A total of eleven (11) packets were requested for the catenary wire prior to the bid opening. The request resulted in the receipt of two (2) bids.

3. DBE and Required Forms

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

It was determined that all necessary forms and requirements have been submitted 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 Federal Transit Administration (FTA).

Mr. Repay motioned to grant the President the authority to issue the Notice to Proceed for the catenary wire at his discretion. The motion was seconded by Mr. Lauerman. The motion was approved unanimously.

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, Inc. Huntington, WV	X	X	X	60.0%	X	X	X	X	X	X	X
Wesco Distribution, Inc. Hammond, IN	X	X	X	1.7%	X	X	X	X	X	X	X

C. ENGINEERING REVIEW & COST ANALYSIS

The Bids were evaluated for responsiveness to the technical specifications. All companies were responsive and took no exceptions to the technical specifications. There were no alternates or options associated with this bid.

The lowest and most responsive bid for catenary wire is \$766,700.00. This is 4% (\$34,300.00) less than the engineer's estimate of \$801,000.00.

Integrity Wire's DBE amount is 60% (\$460,020.00).

			Integrity Wire		Wesco	
	Quantity (LF)	# of Reels	\$/Lineal Ft.	Extended Cost	\$/Lineal Ft.	Extended Cost
Trolley Wire	32,500	5	\$7.77	\$252,525.00	No Bid	No Bid
Messenger Wire	32,500	5	\$3.59	\$116,675.00	\$4.24	\$137,800.00
Feeder Wire	37,500	15	\$10.60	\$397,500.00	\$11.78	\$441,750.00
Total Amount				\$766,700.00		\$579,550.00

NICTD's Engineering Department has reviewed the bids and technical specifications and has deemed Integrity Wire, Inc. as a competent supplier.

D. DELIVERY

Integrity Wire Inc. can meet the District's delivery schedule for 2017.

E. RECOMMENDATION

The Staff recommends that Integrity Wire Inc., Huntington, WV be awarded the 2017 Contract for Catenary Wire in the amount of Seven Hundred Sixty-six Thousand Seven Hundred Dollars ⁰⁰/100 (\$766,700.00).

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

Mr. Repay motioned to grant the President the authority to issue the Notice to Proceed for the Ties at his discretion. The motion was seconded by Mr. Lauerman. The motion was approved unanimously.

RECOMMENDATION
For the
CATENARY REHABILITATION PROJECT
January 27, 2017

RECOMMENDATION:

The board approved Installment Award 1 for Phase 3 Catenary Material to Goyal Industries on July 27, 2012. These items consist of Cantilever Arms, Insulators, Weighted Tension Assemblies and Connectors. The Board Meeting minutes are attached. This stated authorization would be given in phases for a total contract amount not to exceed \$2,300,000. The district has installed most of these materials and is in need of exercising Installment Award 2 for an additional \$767,000.⁰⁰.

The Staff is requesting that the Board grant the President the authority to issue the Notice to Proceed for Installment Award 2 in the amount of Seven Hundred Sixty Seven Thousand Dollars and ⁰⁰/100 (\$767,000.⁰⁰) to Goyal Industries, Inc. of Mansfield, OH for the procurement of Phase 3 Catenary Material.

Mr. Repay motioned to grant the President the authority to issue the Notice to Proceed for Installment Award 2 at his discretion. The motion was seconded by Mr. Kostielney. The motion was approved unanimously.

OPERATIONS REPORT

Mr. Noland discussed the three service disruptions on January 10, 12 and 16. He especially noted the January 12th disruption and its severity. NICTD will be reviewing its emergency procedures and communications to the passengers, as well as possible technology that could be utilized in the future during icing events. Mr. Noland acknowledged that our passengers were on the trains – many for multiple hours. He stated that safety was NICTD's first priority.

Mr. Bill O'Dea further discussed the service disruptions on January 10, 12 and 16, 2017. He stated that these disruptions were very frustrating to staff and incredibly frustrating for our passengers. On January 10th, due to a NIPSCO pole fire east of East Chicago, we had trains stopped between the Gary Metro Center and Kensington. We tried to bring trains up to the platform as best we could, but that was a difficult situation with delays up to 2 ½ hours.

Mr. O'Dea stated that January 12th service disruption was the most difficult of circumstances resulting from an early morning flash freeze that affected our rush hour and most mid-day service. The flash freeze occurred along a narrow band of the railroad between East Chicago and Kensington. It coated the overhead contact wire and pantographs. We tried various methods to break through the ice but without success. Mr. O'Dea thanked Mr. Compton of South

Shore Freight for their assistance helping us assist our passengers by moving disabled trains. Mr. O'Dea stated that on the morning of January 13th, he and Mr. Goodrich rode trains and personally explained the circumstances to our riders wishing to maintain good communications. Comments and suggestions were gleaned from the passengers on how to improve performance and communications. Mr. O'Dea thanked Metra's Electric and Mechanical Department personnel, who came over from Kensington and assisted NICTD at both Hegewisch and East Chicago to get trains restarted. He stated that NICTD is going to acquire an additional locomotive, and strengthen our incident command responses with priority to moving trains to platforms, as well as – to the extent possible – providing bus services.

On January 16th, we were faced with a switch problem at Millennium which significantly affected the on-time performance for Metra and the South Shore service.

Mr. Catanzarite asked if the storm had ramped up between trains 102 and 104. Mr. O'Dea indicated that was correct. Mr. Repay requested clarification of whether there was an issue with the incline at Hegewisch. Mr. O'Dea responded that the issue was actually with the loss of traction power due to the inability to maintain contact with the overhead wire. Mr. Repay suggested that a handout with information be distributed to passengers/customers detailing the events involved in a disruption such as the flash freeze. The handout should include the bullet point events along with what will be done to improve situations in the future. Mr. Noland stated NICTD can put together a summary of lessons learned and actions planned. Ms. Cid recommended that the East Chicago and Gary bus station schedules/information could be made available at the stations and on our website. Mr. Noland responded that NICTD is going to move to ensure that these schedules and information will be available in the future. Mr. Yagelski asked about length of time trains were disabled. Mr. Noland responded that 106 was disabled for approximately three hours. The passengers were on 106 for hours prior to being disabled.

Mr. Yagelski discussed that he was dissatisfied and so were the passengers who complained to him regarding the coupon for a ticket being distributed to those who had been delayed. Mr. Repay agreed with Mr. Yagelski. Mr. Noland did indicate that the text messaging was found to be extremely frustrating and did not correlate with what was going on. He stated that other carriers have already migrated over to email alerts so that more information can be sent via email.

Mr. Babin gave the mechanical explanation of what happened with the flash freeze. Mr. Babin stated that 1.5 inches of ice accumulated on the pantographs. This was equal to approximately 20 lbs. of ice, as well as the icing on the wire itself. Mr. Babin indicated that research has been conducted on what other railroads do to combat icing. He stated that they constantly run cars back and forth on short headways with a lot of cars with their pantographs up to mechanically and electrically keep that wire clear of ice. This is also NICTD's practice; however, this was an unanticipated event. Other ideas and methods were discussed as well with their pros and cons.

ADJOURNMENT

Mr. Biggs made a motion to adjourn. The motion was seconded by Mr. Repay. The motion was approved unanimously.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Michael Repay', is written above the printed name.

Michael Repay, Board Secretary