



**NORTHERN INDIANA
COMMUTER TRANSPORTATION DISTRICT**

33 E. U.S. HIGHWAY 12 • CHESTERTON, IN 46302-3514

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**NORTHERN INDIANA COMMUTER TRANSPORTATION DISTRICT
BOARD MEETING
January 30, 2015**

**Northern Indiana Commuter Transportation District
33 East U.S. Highway 12
Chesterton, IN 46304-3514
Public Session – 10:00 a.m. (CST)**

BOARD MEMBERS PRESENT:

Mark Yagelski
Mark Catanzarite
Andrew Kostielney
David Prankus

John Evans
Michael Repay
David Decker

Christine Cid
James Biggs
David Wickland

OTHERS PRESENT:

Representative Edmond L. Soliday
Steven Lyons – Passenger
Gerald Williamson – Passenger
Greg Price – Passenger
Tracey McElree – AC Inc.
Paul Miller – Passenger
Justin Mount – Senator Joe Donnelly
Lakisha Garder – City of Gary

Roy G. Benedict – Passenger
Christopher Murphy – Structurepoint
Josh Anderson – Nordco
Richard Watkins – Ret. IHB/BRC
Ryan Dykes – AC Inc.
Meredith Perks – Senator Joe Donnelly
Fred Owens – Harry O. Hefter Associates

STAFF PRESENT:

Michael Noland
Chuck Lukmann, Esq.
Chris Beck
Laura Harrington
Jodie Hellenga

John Parsons
Boris Matakovic
Greg Yovich
Christine Dearing
Lisa J. Johnson

Keith Casey
Robert Byrd
Anthony Siegmund
Jessica Wright

CALL TO ORDER

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

ELECTION OF OFFICERS

Mr. Wickland made a motion nominating John Evans for Chairman, James Biggs for Vice-Chairman, Christine Cid for Secretary and Mark Catanzarite for Treasurer. David Decker seconded the motion. The motion was approved.

MEETING MINUTES:

Mr. Evans requested approval of the minutes from November 14, 2014. Michael Repay motioned to accept the Public Session and Executive Session Board minutes for November 14, 2014. The motion was seconded by Andrew Kostielney. The motion was approved.

PUBLIC COMMENT

Richard Watkun requested clarification as to whether NICTD is talking of using the existing old Monon right-of-way or buying eight miles of right-of-way. Mr. Noland indicated that there is the existing land that NICTD jointly owns with Munster and Hammond on which we would be building, but there would be potential line extension that we would have to build on property owned by CSX to continue it down all the way to Dyer or St. John.

OTHER BUSINESS

Mr. Evans introduced Representative Ed Soliday. Rep. Soliday presented Gerald Hanas with the Sagamore of the Wabash from Governor Michael Pence. The Sagamore is the highest civilian award that can be presented to a citizen of Indiana for outstanding public service.

ANNOUNCEMENT OF VIPS

Mr. Evans took a moment to also acknowledge Meredith Perks and Justin Mount with Senator Joe Donnelly's office, and Bill Hanna, CEO of the RDA.

GENERAL MANAGER'S REPORT

Mr. Noland provided a retrospective of 2014:

Safety. Safety continues to be our number one priority. It permeates every aspect of our operation. 2014 was a noteworthy year from a safety perspective in a number of areas. From a grade crossing standpoint, NICTD had only one accident the entire year, and that involved a car that struck the side of one of our trains at low speed. He recognized our partnership with programs like Operation Lifesaver and other similar safety outreach efforts that seek to educate the general public on railroad crossing safety. He mentioned that we test our employees frequently as required by the FRA. We also had a good year from an employee safety perspective and are looking to build on that effort in the coming year. Our employees are ever mindful of the fact that we are entrusted with the safety of our riders; a responsibility that is

shared by everyone. Our safety record also translates well from a financial perspective when we go to place our insurance on the excess rail markets.

Ridership. In 2014 we saw our first year-over-year increase since 2007. While the increase was modest, it came after a very poor first quarter. We lost significant ridership due to the harsh winter. Aided by job growth in Chicago and a mild November and December, we recovered our ridership loss in the 2nd, 3rd and 4th quarters and ended the year on a positive note. However, our operating expenses were higher than forecasted. Due in large part due to increased mechanical maintenance from our aging rail fleet. Operating revenue was flat year-over-year at about \$19 M. Our rush hour on-time performance for the year averaged 90.7%. In June of this year we introduced a mobile ticketing application that has been positively received by our riders with smart phones.

Capital Projects. We have a number of capital projects that we completed during the year that are on this list. Some of the major projects include a new bridge over North Point Road in Hudson Lake. Two miles of 100 lb. rail was replaced with 115 lb. continuous welded rail. We also installed 5 miles of new weight tensioned catenary between Michigan City to South Bend.

We made considerable headway this year toward resolving the APS problems we have had with the 300 Series gallery. So far this winter they have been running with few failures and our customers are seeing the benefits of their use.

South Bend Platform. Mr. Noland reported that a large section of the South Bend Airport platform was taken out of service late last year based on engineering reviews conducted by NICTD and the Airport. We are working with the Airport management team to come up with a plan to replace the platform. We are able to use the platform through the efforts of our train crews and operating personnel. We have not incurred or experienced any delays; but if this platform is not fixed, it will experience further deterioration. There will be delays that we experience.

Benefits of Double Track. Mr. Noland also briefed the board on a freight derailment that occurred on December 19 along Power siding west of Michigan City. The derailment caused a 2 hour delay to morning rush hour service and highlighted the operational benefits of double track. While the derailment temporarily delayed trains we were able to divert trains on to a parallel second track. Without this second track service may have been disrupted for several days.

2015 Business Plan. Mr. Noland then briefed the board on NICTD's 2015 Business Plan. Some of the key components include the addition of a limited stop morning and evening trains to serve South Bend, Dune Park, East Chicago, and then onward into Chicago. We will also reduce the running time on another limited stop train #106 departing out of Michigan City.

Mr. Noland described that staff is looking to implement a fare increase this year to maintain the \$.50 differential between Hegewisch and Hammond. The fare increase will help us

keep pace with our rising operating costs and to offset the expected future operating costs of Positive Train Control. Part of our review of the fare structure will also involve exploring a discount for pre-purchasing one-way fares before boarding our trains. We expect our overall operating costs to increase in 2015 by 2% to approximately \$42.8 M. We also expect that our funding from Federal and State sources to remain generally at the 2014 levels.

The major capital projects that we anticipate for the coming year include continued work and design and implementation of PTC, rehabilitating Wickliffe Substation and installing six additional miles of new catenary toward South Bend.

Four primary areas of expense are labor, fringe benefits, equipment, materials and supplies, and traction power. From an operating revenue standpoint, we are projecting about \$20 M for the year. Our operating expense is expected to be \$42.8 M, which would result in an operating deficit of around \$22.8 M. When we apply our other, non-operating revenue sources, we are left with a deficit of \$13.8 M, and we anticipate that our current funding from the state will cover this deficit.

David Prankus asked about updating some crossovers from 15 to 40 mph. Mr. Noland replied that we had gone out for a bid to see if we could get crossovers in this year. The bid was opened yesterday. Unfortunately, the bids were non-responsive primarily because the timeframe that the manufacturer could deliver was not until December. Therefore, the crossover capital plan will be moved to 2016.

Mr. Prankus also asked about whether we would be able to ground load passengers at the cement slabs at the South Bend Airport Station if it gets really busy. Mr. Noland answered that if there is further deterioration of the platform, that is where we will likely load. Bill O'Dea concurred. Mr. Noland also anticipates that the platform would be out of service for several weeks when it is replaced by the Airport. During that period of time as well, that low level boarding area would be utilized.

Christine Cid stated that it is a great addition to have the rush hour train. It shows that we are listening to our passengers, and we are very excited about it.

David Decker motioned to approve the 2015 Business Plan. The motion was seconded by Michael Repay. The motion was approved.

Limited Stop Express Train: Mr. Noland announced the proposal to add a limited stop express train to reduce the commute time to under 2 hours from South Bend, under 60 minutes from Dune Park and under 40 minutes from East Chicago. One commonly repeated request from our riders and from our community leaders is for reduced travel times to Chicago. We also need to grow our ridership base. We believe that this type of service will help in this effort. Faster service is greatly enhanced by high-level platform boarding. The stops chosen for this limited stop service all have high-level platforms.

The train will also come back on an express from the city. Train #11 will depart somewhere around 3:57 p.m. (not definitive yet). It will add one additional stop. We will pick up people at the Museum Campus and then make the same stops the #6 makes in the morning. Train 11 will become 111, and because we are stopping at East Chicago and Dune Park, Train 111 it will not stop at those two locations. While eastbound trains heading to South Bend typically stop at Carroll Ave. to cut cars; Train 11 will not stop but proceed to South Bend.

Mr. Noland explained the test basis for this service. While he believes this schedule and stopping pattern will work, we plan to continue evaluating its performance and bring any proposed modifications back to the board. Mr. Noland asked the Board for approval to make minor adjustments in the schedule before it is launched on March 16.

Mr. Yagelski made the motion to accept the schedule with modifications by management as necessary. The motion was seconded by Mr. Catanzarite. The motion was approved.

Military Personnel Discount. The next item on the agenda is a request that we modify our policy with respect to the discount we provide for our active duty military personnel. Current policy provides a discount to military personnel who ride in uniform on our trains. Recently, we have been made aware of a growing concern by commanding officers who have instructed their military personnel at times to wear civilian clothes when traveling. Our requirement they be in uniform to receive the discount conflicts with the instructions they are receiving by their commanding officers. Our goal is to provide our men and women on active duty with the discount. We can easily verify their service by asking to see their Uniformed Services Common Access Card. We are also going to clarify on the timetable that that Common Access Card or other government I.D.s may be used for the senior discount. The senior discount currently requires some form of government I.D., and the CAC can provide that as well. What we request today is approval by the Board to modify the policy regarding the reduced fare for military personnel and to allow the military personnel to receive the discount simply by showing their Common Access Card.

Mr. Biggs made the motion to change policy to accept the Common Access Card with no uniform requirement. The motion was seconded by Mr. Repay. The motion was approved.

Status of West Lake Extension Project. We are undertaking a Draft Environmental Impact Statement ("DEIS") in cooperation with the Regional Development Authority. We have engaged AECOM. We have bi-weekly status meetings with both AECOM and the RDA. We have separate bi-weekly meetings with the Federal Transit Administration since they are a co-participant in the environmental process. We have some major meetings coming up in mid-February with the federal agencies and state agencies that have responsibility for environmental issues and environmental analysis during this process. We still anticipate having a draft environmental impact statement by the end of this year.

Trustees for the Defined Contribution Pension Plan: Board consideration of a resolution to appoint new trustees to NICTD's Defined Contribution Pension Plan. Currently,

there are two plan trustees. One of them is our recently retired General Manager, Mr. Gerald Hanas. The other trustee is Keith Casey. This resolution replaces Jerry as a trustee, and appoints Michael Noland and Bjarne Henderson, NICTD's Director of HR and Labor Relations, as trustees to the Plan.

Mr. Decker made the motion to appoint Michael Noland and Bjarne Henderson as the new trustees for the Defined Contribution Pension Plan. The motion was seconded by Mr. Repay. The motion was approved.

Positive Train Control. At the last meeting where we gave our update, including our planned systems integrator RFP re-release which we are going to do in early or mid-February, the Board requested that we prepare a letter to the FRA Administrator informing him of our efforts to comply with the law, the challenges that we face – including the fact that our first bid came in at three times our engineers' estimate – and the need to extend the deadline for PTC implementation beyond 2015. This letter was signed by everyone on the Board. We sent copies to our Indiana Congressional Delegation, and we also sent it to our fellow commuter railroads across the country through APTA.

The FRA responded to this letter that one of the comments they had, which we know, that they lack the authority to change the deadline. The Senate held a hearing on Wednesday where all the freight railroads testified before the Senate Commerce Committee about the fact that no one in the industry was going to make the PTC deadline by 2015. In fact, there was discussion that it is likely that full PTC implementation will not occur until 2020 or after. The Senate Committee acknowledged that fact, which gives us a positive sign that Congressional action to extend this deadline could be achieved.

NICTD Board received a proposal for the renewal of the contract with AC Inc. What we would like to do is approve the third and final year of the contract in the amount of \$180,000 for marketing and promotion of the South Shore Line. A majority of the contract is for actual ad placement in various media. Our campaign is geared at promoting the benefits of riding the South Shore. We need to continue to reinforce our value message to our current riders – especially with falling gas prices. And promote our service to those who have not yet decided to get out of their cars and ride our trains. In addition to job growth occurring in Chicago, we want the residents of our four counties to know that they have a safe, efficient, reliable and affordable means to get to work if they seek employment in the city. We are going to be using social media as part of our marketing campaign and promotional videos reflecting the ease of using our service to access various points of interest in Chicago and up and down our rail lines. We have also included money, as the trustee requested, to promote the new express service that we are going to be starting, hopefully, in mid-March. What I ask the Board to do today is to approve the extension of the AC Incorporated contract for the year at the dollar amount requested.

Mr. Repay made the motion to approve the extension of the AC Incorporated contract for 2015 in the amount of One Hundred Eighty Thousand Dollars⁰⁰/100 (\$180,000.00). The motion was seconded by Mr. Kostielney. The motion was approved.

Fare Increase: The Metra Board did approve an increase which will go into effect on February 1st. Our PSA with Metra requires that we adopt their fares at Hegewisch. Hegewisch fares will increase roughly 16%. This is going to create a differential where the fares at Hegewisch are actually higher than they are at Hammond and East Chicago. Given the size of the fare increase, we will definitely see some migration of individuals who seek to board our service from those locations. The fare increase also calls for a jump in the on-board ticket penalty from \$3 to \$5 on the Metra system. Metra has postponed that aspect of the fare increase until they are able to roll out their smart phone app sometime later this year. We are looking at increasing our fares as well. One of the steps is to take into account a fare equity analysis, which is required by Title VI. We are currently still in the early stages where we are running the numbers. We will be presenting that to the Board at the March 27th meeting. If you approve that plan, we will then take the proposal out to the four counties for public comment. We can then bring it back to the Board to consider those comments and the proposal. If adopted, we would roll out a fare increase on July 1st of this year.

PROPOSAL/BIDS REVIEW AND APPROVAL

Mr. Noland introduced Randy Welch, Purchasing Manager. Mr. Noland notes that Randy is going to discuss several bids for consideration, and also informs the Board that Randy is attending his last meeting today. He will be retiring on February 2nd after a 17 year railroad career here at NICTD. He is a dedicated employee and he will be missed by all who worked with him. Mr. Noland has seen firsthand his hard work, dedication and professionalism. The Purchasing Manager roll, as this Board knows, is critical for the railroad, and Randy served us well. Keith Casey presents a clock to Randy and thanks him.

All of today's 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 had been submitted and were approved by the appropriate NICTD Staff. All forms had been correctly submitted and were found to be within the guidelines set forth by the Federal Transit Administration (FTA).

The Bids were also evaluated for responsiveness to the Technical Specifications. All bidders were responsive and took no exceptions to the bid specifications. There were no alternates or options associated with today's bids.

ASPHALT PAVING SERVICES

Mr. Welch stated that bids were taken for asphalt paving for several areas along the right-of-ways, crossings and for 11th Street in Michigan City. The request for Paving Services was advertised throughout the region and nationally. A total of seven (7) packets were requested for the Paving Services prior to the bid opening. The request resulted in the receipt of four (4) bids.

E & L submitted a bid that stated they would use Ralston Trucking (DBE) as required on the 11th Street Project. They expect this would be 6% of the pricing (\$3,864). E&L Paving can meet the District's delivery schedule for the year 2015.

The Staff recommends that E&L Paving and Construction, Michigan City, IN, be awarded the Contract for the Paving Services in the amount of One Hundred Sixty-Four Thousand Five Hundred Dollars ⁰⁰/100 (\$164,500.00).

ASPHALT PAVING
 BID TABULATION SHEET
 2015

| Contractor Name | Bid Amount per ton | Total | Form 96 | Eligible Bidder | Lower Tier | DBE % | Non-Discrim. | Rest. Lobby | Drug Free | Buy America | Cert. of Qual. |
|--|----------------------|------------|---------|-----------------|------------|-------|---------------|-------------|-----------|-------------------|----------------|
| E&L Paving & Constr. | | | X | X | X | 6.0% | X | X | X | X | X |
| P.O. Box 8838 Michigan City, IN 46361 | 140.00 | 164,500.00 | | | | | | | | | |
| Olson Construction | | | X | X | X | 9.6% | Not submitted | X | X | Signed both boxes | X |
| P.O. Box 935 Chesterton, IN 46304 | 175.00/162.00/120.00 | 208,372.00 | | | | | | | | | |
| Site Services Inc. | | | X | X | X | 0.0% | X | X | X | X | X |
| 10117 Kennedy Highland, IN 46322 | 202.95/165.00 | 243,134.00 | | | | | | | | | |
| Rieth-Riley Constr. Co. | | | X | X | X | 10.6% | X | X | X | Signed both boxes | X |
| P.O. Box 1828 LaPorte, IN 46352 | 125.00/460.00 | 252,000.00 | | | | | | | | | |

Engineering Estimate: \$160,000
 Lowest and most responsive bid was 2.8% (\$4,500) greater than Engineer Estimate
 Lowest and most responsive bid of \$140/Ton.
 Estimated Annual Requirement - \$164,500.

Mr. Biggs made the motion to award E&L Paving & Construction the Contract for the Paving Services in the amount of One Hundred Sixty-Four Thousand Five Hundred Dollars⁰⁰/100 (\$164,500.00). The motion was seconded by Mr. Decker. The motion was approved.

RAIL 115# RE

The Maintenance of Way Department has requested bids for Rail 115#RE to be used in the replacement of 100# RE Rail east of Michigan City, 10th & 11th Street in Michigan City, Buchanan and Lake Street in Gary, with the balance for inventory. Bids were solicited for Rail 115#RE and a public bid opening was held at the Dune Park Offices of the Railroad on Friday, January 16, 2015. The request for rail was advertised throughout the region and nationally.

A total of four (4) packets were requested for the rail prior to the bid opening. The request resulted in the receipt of two (2) bids. The bids were evaluated for responsiveness to determine if the bids could be accepted for further review.

**WELDED RAIL
 BID TABULATION SHEET
 2015**

| Contractor Name | Location | Rail Length | Quantity | LF | Cost per LF | 2015 Total Cost | Form 95 | Eligible Bidder | Lower Tier | DBE % | Non-Discrim. | Rest. Lobby | Drug Free | Buy America | Cert. of Qual. | |
|-----------------------------------|---------------|-------------|----------|--------|-------------|-----------------|---------|-----------------|------------|-------|--------------|-------------|-----------|-------------|----------------|--|
| L.B. Foster Co. Pittsburgh, PA | Michigan City | 115RE 240' | 21 Pcs | 5040 | 29.25 | \$147,420.00 | | | | | | | | | | |
| | Burnham | 115RE 80' | 8 Pcs | 640 | 19.28 | \$12,339.20 | | | | | | | | | | |
| | Gary | 115RE 80' | 4 Pcs | 320 | 19.28 | \$6,169.60 | | X | X | 1.54% | X | X | X | X | X | |
| | Michigan City | 115RE 80' | 8 Pcs | 640 | 19.41 | \$12,422.40 | | X | | | | | | | | |
| | | 115RE 1600' | 11 Pcs | 17,600 | 28.81 | \$507,056.00 | | | | | | | | | | |
| TOTAL | | | | | | | | | | | | | | | | |
| | | | | | | \$685,407.20 | | | | | | | | | | |
| A&K Railroad Hobart, IN | Michigan City | 115RE 240' | No Bid | | | | | | | | | | | | | |
| | Burnham | 115RE 80' | 8 Pcs | 640 | 22.00 | \$14,080.00 | | | | | | | | | | |
| | Gary | 115RE 80' | 4 Pcs | 320 | 22.83 | \$7,305.60 | | X | X | 0.0% | X | X | X | X | X | |
| | Michigan City | 115RE 80' | 8 Pcs | 640 | 22.58 | \$14,451.20 | | X | | | | | | | | |
| | | 115RE 1600' | No Bid | | | | | | | | | | | | | |
| | | | | | | \$35,836.80 | | | | | | | | | | |
| TOTAL | | | | | | | | | | | | | | | | |

| COST SUMMARY | | | | |
|--------------|-------------|--------------|--------------|--------------|
| Rail Length | PER FOOT | | TOTAL COST | |
| | L.B. Foster | A&K Railroad | L.B. Foster | A&K Railroad |
| 115RE 240' | 29.25 | No Bid | \$147,420.00 | No Bid |
| 115RE 80' | 19.28 | 22.00 | \$12,339.20 | \$14,080.00 |
| 115RE 80' | 19.28 | 22.83 | \$6,169.60 | \$7,305.60 |
| 115RE 80' | 19.41 | 22.58 | \$12,422.40 | \$14,451.20 |
| 115RE 1600' | 28.81 | No Bid | \$507,056.00 | No Bid |
| TOTAL | | | \$685,407.20 | \$35,836.80 |

Engineer's Estimate: \$782,756.46
 Lowest & Responsive Bid: \$685,407.20
 Lowest & most responsive bidder was 12%
 Less than Staff Estimate (\$97,349.26)
 Last purchase price (2014) \$28.212 per Lineal Foot of Welded Rail 1600'

L.B. Foster Co.'s DBE amount was 1.54%.

The Staff recommends that L.B. Foster Co, Pittsburgh, PA, be awarded the 2015 MOW Contract for the delivery of Rail 115# RE Strings in the amount of Six Hundred Eighty-five Thousand Four Hundred Seven Dollars ²⁰/100 (\$685,407.20).

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

Mr. Biggs made the motion that L.B. Foster Co, Pittsburgh, PA, be awarded the 2015 MOW Contract for the delivery of Rail 115# RE Strings in the amount of Six Hundred Eighty-five Thousand Four Hundred Seven Dollars ²⁰/100 (\$685,407.20). The motion was seconded by Mr. Decker. The motion was approved.

TIES

The Maintenance of Way Department has requested bids for Track Material to be used in the 2015 Maintenance Season. Bids were solicited for ties and a public bid opening was held at the Dune Park Offices on Friday, January 16, 2015.

The request for ties was advertised throughout the region and nationally. A total of four (4) packets were requested for the ties prior to the bid opening. The request resulted in the receipt of two (2) bids. The bids were evaluated for responsiveness to determine if they could be accepted for further review.

Lowest and most responsive bid of \$725,110.10, is 22% (\$130,728.00) greater than the Engineer's Estimate of \$594,382.00. Stella-Jones Corporation's DBE amount is 8.0%

(\$58,500.00). Mr. Welch announced that the increase in cost is that there was a report on the hardwood industry indicating that there is no inventory left available in the United States. The furniture industry is buying up the hardwood. In the near future, NICTD might considerable concrete ties are more viable than hardwoods. NICTD's Engineering Dept. has reviewed the bid and Technical Specifications and has deemed Stella-Jones Corp. as a competent supplier.

Grade 5 Cross Ties - Current:

| Year | Quantity | Cost | % +/- Prior Year | Contractor Name |
|------|----------|---------|---------------------|--------------------|
| 2015 | 9,000 | \$68.77 | 21% | Stella-Jones Corp. |

Grade 5 Cross Ties - History Only:

| Year | Quantity | Cost | % +/- |
|------|----------|---------|---------|
| 2014 | 9,000 | \$54.35 | 5.0% |
| 2013 | 6,000 | \$51.79 | 1.35% |
| 2012 | 12,000 | \$52.50 | 15.72% |
| 2011 | 9,000 | \$45.37 | 7% |
| 2010 | 3,500 | \$42.40 | (3.39%) |
| 2009 | -0- | \$ 0.00 | 0% |
| 2008 | 6,000 | \$43.89 | (4.36%) |
| 2007 | 8,000 | \$45.89 | 9.62% |
| 2006 | 6,500 | \$41.86 | N/A |

Average 5.77% increase per year.

Stella-Jones can meet the District's delivery schedule for 2015.

**TIES
 BID TABULATION SHEET
 2015**

| Contractor Name | Ties | Qty | 2014 | | 2015 | | 2015 Unit Cost | 2015 Unit Cost | 2015 Cost Increase | % s +/- | 2015 Total Cost | Form 95 | Eligible Bidder | Lower Tier | DBE % | Non- Discrim. | Rest. Lobby | Drug Free | Buy America | Cert. of Qual. | |
|---------------------------|-----------------|-------|--------------|----------|--------------|-------|----------------------|----------------------|--------------------------|---------------|-----------------------|------------|--------------------|---------------|----------|------------------|----------------|--------------|----------------|----------------------|---|
| | | | Unit Cost | Cost | Unit Cost | Cost | | | | | | | | | | | | | | | |
| Stella-Jones Corp. | Cross Ties | 9,000 | \$54.35 | \$68.77 | \$14.42 | 26.5% | \$618,930.00 | | | | | | | | | | | | | | |
| Two Gateway Center | Pre-Plated Ties | 400 | \$146.85 | \$149.90 | \$3.05 | 2.1% | \$59,960.00 | | | | | | | | | | | | | | |
| 603 Stanwix St., Ste 1000 | Sw Tie 9' | 25 | \$61.17 | \$74.71 | \$13.54 | 22.1% | \$1,867.75 | | | | | | | | | | | | | | |
| Pittsburgh, PA 15222 | Sw Tie 10' | 200 | \$67.97 | \$83.02 | \$15.05 | 22.1% | \$16,604.00 | | | | | | | | | | | | | | |
| | Sw Tie 11' | 50 | \$74.77 | \$91.31 | \$16.54 | 22.1% | \$4,565.50 | | | | | X | | No | 8.0% | X | X | X | X | | X |
| | Sw Tie 12' | 25 | \$81.57 | \$99.61 | \$18.04 | 22.1% | \$2,490.25 | | | | | | | | | | | | | | |
| | Sw Tie 13' | 20 | \$103.20 | \$124.97 | \$21.77 | 21.1% | \$2,499.40 | | | | | | | | | | | | | | |
| | Sw Tie 14' | 40 | ---- | \$134.59 | ---- | ---- | \$5,383.60 | | | | | | | | | | | | | | |
| | Sw Tie 15' | 40 | \$134.73 | \$150.11 | \$15.38 | 11.4% | \$6,004.40 | | | | | | | | | | | | | | |
| | Sw Tie 17' | 40 | ---- | \$170.13 | ---- | ---- | \$6,805.20 | | | | | | | | | | | | | | |
| | | | | | TOTAL | | \$725,110.10 | | | | | | | | | | | | | | |
| Natural Wood Solutions | Cross Ties | 9,000 | | \$75.45 | | | \$679,050.00 | | | | | | | | | | | | | | |
| 8720 Ridge Hill Drive | Pre-Plated Ties | 400 | | No Bid | | | No Bid | | | | | | | | | | | | | | |
| Indianapolis, IN 46217 | Sw Tie 9' | 25 | | \$74.70 | | | \$1,867.50 | | | | | | | | | | | | | | |
| | Sw Tie 10' | 200 | | \$91.22 | | | \$18,244.00 | | | | | | | | | | | | | | |
| | Sw Tie 11' | 50 | | \$100.65 | | | \$5,032.50 | | | | | | | | | | | | | | |
| | Sw Tie 12' | 25 | | \$106.02 | | | \$2,650.50 | | | | | No | X | No | 0.0% | X | X | X | X | | X |
| | Sw Tie 13' | 20 | | \$119.54 | | | \$2,390.80 | | | | | | | | | | | | | | |
| | Sw Tie 14' | 40 | | \$123.56 | | | \$4,942.40 | | | | | | | | | | | | | | |
| | Sw Tie 15' | 40 | | \$136.27 | | | \$5,450.80 | | | | | | | | | | | | | | |
| | Sw Tie 17' | 40 | | \$151.90 | | | \$6,076.00 | | | | | | | | | | | | | | |
| | | | | | TOTAL | | \$725,704.50 | | | | | | | | | | | | | | |

* Partial bid did not include pre-plated ties. Cost per Grade #5 Pre-Plated Tie was \$149.90 for 400 ties (\$59,960.00) from lowest responsive bidder.

**TIES
 COST SUMMARY
 2015**

| COST SUMMARY | | | | |
|-----------------|-----------------|--------------|---------------------|--------------|
| Ties | UNIT COST | | TOTAL COST | |
| | Stella-Jones | Natural Wood | Stella-Jones | Natural Wood |
| Cross Ties | \$68.77 | \$75.45 | \$618,930.00 | \$679,050.00 |
| Pre-Plated Ties | \$149.90 | No Bid | \$59,960.00 | No Bid |
| Sw Tie 9' | \$74.71 | \$74.70 | \$1,867.75 | \$1,867.50 |
| Sw Tie 10' | \$83.02 | \$91.22 | \$16,604.00 | \$18,244.00 |
| Sw Tie 11' | \$91.31 | \$100.65 | \$4,565.50 | \$5,032.50 |
| Sw Tie 12' | \$99.61 | \$106.02 | \$2,490.25 | \$2,650.50 |
| Sw Tie 13' | \$124.97 | \$119.54 | \$2,499.40 | \$2,390.80 |
| Sw Tie 14' | \$134.59 | \$123.56 | \$5,383.60 | \$4,942.40 |
| Sw Tie 15' | \$150.11 | \$136.27 | \$6,004.40 | \$5,450.80 |
| Sw Tie 17' | \$170.13 | \$151.90 | \$6,805.20 | \$6,076.00 |
| TOTAL | | | \$725,110.10 | \$725,704.50 |

The Staff recommends that Stella-Jones Corp., Pittsburgh, PA, be awarded the 2015 Contract for the delivery of Grade #5 Cross Ties, Switch Ties, & Pre-Plated Ties in the amount of Seven Hundred Twenty-five Thousand One Hundred Ten Dollars ¹⁰/100 (\$725,110.10).

The Staff is requesting that the Board grant the General Manager the authority to issue the Notice to Proceed for the Cross Ties, Switch Ties, & Pre-Plated Ties at his discretion.

Mr. Biggs made the motion that Stella-Jones Corp., Pittsburgh, PA, be awarded the 2015 Contract for the delivery of Grade #5 Cross Ties, Switch Ties, & Pre-Plated Ties in the amount of Seven Hundred Twenty-five Thousand One Hundred Ten Dollars ¹⁰/100 (\$725,110.10). The motion was seconded by Mr. Catanzarite. The motion was approved.

SECTION CREW TRUCK

The Track Department has requested bids for a Section Crew Truck to be used for daily maintenance projects. The Section Crew Truck is used as a first responder for track emergencies as well as day-to-day maintenance work. Truck is used for carrying rail, driving/pulling spikes, hydraulic operations, etc. Bids were solicited for the Section Crew Truck and a public bid opening was held at the Dune Park Offices on Friday, January 16, 2015.

The request for the Section Crew Truck was advertised throughout the region and nationally. A total of thirteen (13) packets were requested for the Section Crew Truck prior to the bid opening. The request resulted in the receipt of two (2) bids.

Spreadsheet on following page.

Vehicle to be traded:

#426; 2002 C5500 Chevrolet Flatbed (Crew Section); 105,000m (\$3,000.00)

Engineer's Estimate: \$145,127.00

Lowest responsive bidder, Aspen Equipment, submitted a DBE amount of 0%.
(All bidders had 0% DBE)

| | |
|----------------------------------|---------------------|
| Lowest Responsive Bidder | \$159,233.00 |
| Engr. Estimate | <u>\$145,127.00</u> |
| 9.7% Greater than Engr. Estimate | (\$14,106.00) |

Aspen Equipment can meet the District's delivery schedule for 2015.

The Staff recommends that Aspen Equipment, North Canton, OH, be awarded the Section Crew Truck Contract in the amount of One Hundred Fifty-Nine Thousand Two Hundred Thirty-Three Dollars ⁰⁰/100 (\$159,233.⁰⁰).

The Staff is requesting that the Board grant the General Manager the authority to issue the Notice to Proceed for the Section Crew Truck at his discretion.

Mr. Biggs made the motion that Aspen Equipment, North Canton, OH, be awarded the Section Crew Truck Contract in the amount of One Hundred Fifty-Nine Thousand Two Hundred Thirty-Three Dollars ⁰⁰/100 (\$159,233.⁰⁰). The motion was seconded by Mr. Decker. The motion was approved.

HEAVY DUTY CREW CAB TRUCK ¾ TON WITH HI-RAIL GEAR

The Track Department has requested bids for a Hi-Rail Truck to be used in the ongoing maintenance projects. The Hi-Rail Truck is used for bi-weekly track inspections. Bids were solicited for the Hi-Rail Truck and a public bid opening was held at the Dune Park Offices on Friday, January 16, 2015. The request for the Hi-Rail Truck was advertised throughout the region and nationally.

A total of thirteen (13) packets were requested for the Hi-Rail Truck prior to the bid opening. The request resulted in the receipt of three (3) bids.

Spreadsheet on following page.

Vehicle to be traded:

#461; 2002 2500HD 4x4 Chevrolet with Harsco Electric Railgear
And Portel Rail Lubricator; 144,000m (\$3,500.00)

Engineer's Estimate: \$53,139.30

Lowest responsive bidder, Arnell Chevrolet, Inc., submitted a DBE amount of 0%.
(All bidders had 0% DBE)

| | |
|-----------------------------|--------------------|
| Lowest Responsive Bidder | \$53,093.41 |
| Engr. Estimate | <u>\$53,139.30</u> |
| 0% Less than Engr. Estimate | (\$45.89) |

Arnell Chevrolet, Inc. can meet the District's delivery schedule for 2015.

The Staff recommends that Arnell Chevrolet, Inc., Burns Harbor, IN, be awarded the Hi-Rail Truck Contract in the amount of Fifty-Three Thousand Ninety-Three Dollars ⁴¹/100 (\$53,093.41).

The Staff is requesting that the Board grant the General Manager the authority to issue the Notice to Proceed for the Hi-Rail Truck at his discretion.

Mr. Biggs made the motion that Arnell Chevrolet, Inc., Burns Harbor, IN, be awarded the Hi-Rail Truck Contract in the amount of Fifty-Three Thousand Ninety-Three Dollars ⁴¹/100 (\$53,093.41). The motion was seconded by Mr. Repay. The motion was approved.

MECHANIC'S BODY & CRANE TRUCK

The Track Department has requested bids for a Mechanic's Body & Crane Truck to be used in the ongoing maintenance projects. The Mechanic's Truck is used for making repairs to equipment and vehicles in the field as well as day-to-day maintenance work. Bids were solicited for the Mechanic's Truck and a public bid opening was held at the Dune Park Offices on Friday, January 16, 2015.

The request for the Mechanic's Truck was advertised throughout the region and nationally. A total of thirteen (13) packets were requested for the Mechanic's Truck prior to the bid opening. The request resulted in the receipt of three (3) bids. 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 had been submitted and were approved by the appropriate NICTD Staff. All forms had been correctly submitted and were found to be within the guidelines set forth by the Federal Transit Administration (FTA).

The Bids were evaluated for responsiveness to the Technical Specifications. Lake Shore was the only company not to take exception to the bid specifications. Both Aspen Equipment and Bloomington Ford provided spec's for equipment that was non-responsive to the requirements. There were no alternates or options associated with this bid. Pricing is shown for cost comparison.

Spreadsheet on following page.

Vehicles to be traded:

| | |
|--|---------------|
| 2003 C5500 Chevrolet Van Box Diesel; 104,000m | (\$4,000.00) |
| 2002 EXL550 Ford Super Duty Truck Utility w/ Crane; 130,000m | (\$14,000.00) |

Engineer's Estimate: \$115,545.00

Lowest responsive bidder, LakeShore Ford, submitted a DBE amount of 0%.
 (All bidders had 0% DBE)

| | |
|--------------------------------|---------------------|
| Lowest Responsive Bidder | \$117,874.00 |
| Engr. Estimate | <u>\$115,545.00</u> |
| 2% Greater than Engr. Estimate | (\$2,329.00) |

LakeShore Ford can meet the District's delivery schedule for 2015.

**MECHANIC'S TRUCK WITH CRANE
 BID TABULATION SHEET
 2015**

| Contractor Name | Base Bid | Trade-ins | Final Bid Amount | Form 95 | Eligible Bidder | Lower Tier | DBE % | Non-Discrim. | Rest. Lobby | Drug Free | Buy America | Cert. of Qual. |
|---|--------------|-------------|------------------|---------|-----------------|------------|-------|--------------|-------------|-----------|-------------|----------------|
| LakeShore Ford 244 Melton Road Burns Harbor, IN 46304 | \$135,874.00 | \$18,000.00 | \$117,874.00 | X | X | X | 0.0% | X | X | X | X | X |

The Staff recommends that LakeShore Ford, Burns Harbor, IN, be awarded the Mechanic's Body & Crane Truck Contract in the amount of One Hundred Seventeen Thousand Eight Hundred Seventy-Four Dollars ⁰⁰/100 (\$117,874.⁰⁰).

The Staff is requesting that the Board grant the General Manager the authority to issue the Notice to Proceed for the Mechanic's Body & Crane Truck at his discretion.

Mr. Biggs made the motion that LakeShore Ford, Burns Harbor, IN, be awarded the Mechanic's Body & Crane Truck Contract in the amount of One Hundred Seventeen Thousand Eight Hundred Seventy-Four Dollars ⁰⁰/100 (\$117,874.⁰⁰). The motion was seconded by Mr. Kostielney. The motion was approved.

BALLAST REGULATOR

The Track Department has requested bids for a new Ballast Regulator to be used in the ongoing track projects. The Ballast Regulator is used for profiling ballast section to support track structure. The old regulator was offered for trade, but none of the bidders submitted offers. Bids were solicited for the Ballast Regulator and a public bid opening was held at the Dune Park Offices on Friday, January 16, 2015.

The request for the Ballast Regulator was advertised throughout the region and nationally. A total of five (5) packets were requested for the Ballast Regulator prior to the bid opening. The request resulted in the receipt of three (3) bids.

However, Progress Rail stated they could not meet Buy America and were deemed to be non-responsive.

Spreadsheet on following page.

Vehicles to be traded:

| | |
|--|-----------|
| #603; 1995 Fairmount Ballast Regulator; 5,400 hours | No Offers |
| #672; 2002 Swingmaster Speed Swing Model 180-20; 3,000 hours | No Offers |

Engineer's Estimate: \$286,412.00

Lowest responsive bidder, Nordco, submitted a DBE amount of 1% (\$3,000.00).
Knox Kershaw submitted a DBE amount of 3% (\$11,963.00)

| | |
|-----------------------------------|---------------|
| Lowest Responsive Bidder | \$328,612.00 |
| Engr. Estimate | \$286,412.00 |
| 14.7% Greater than Engr. Estimate | (\$42,200.00) |

Nordco can meet the District's delivery schedule for 2015.

BALLAST REGULATOR
 BID TABULATION SHEET
 2015

| Contractor Name | Base Bid | Trade-in | Final Bid Amount | Form 95 | Eligible Bidder | Lower Tier | DBE % | Non-Discrim. | Rest. Lobby | Drug Free | Buy America | Cert. of Qual. |
|--------------------------------|---------------------|---------------|---------------------|---------|-----------------|------------|-------|--------------|-------------|-----------|-------------|----------------|
| Nordco | | | | | | | | | | | | |
| 245 W. Forest Hill Ave. | \$328,612.00 | \$0.00 | \$328,612.00 | X | X | X | 1.0% | X | X | X | X | X |
| Oak Creek, WI 53154 | | | | | | | | | | | | |
| Knox Kershaw Inc. | \$388,286.00 | \$0.00 | \$388,286.00 | X | X | Not signed | 3.0% | X | X | X | X | X |
| 11211 Trackwork St. | | | | | | | | | | | | |
| Montgomery, AL 36117 | | | | | | | | | | | | |

The Staff recommends that Nordco, Oak Creek, WI, be awarded the Ballast Regulator Contract in the amount of Three Hundred Twenty-Eight Thousand Six Hundred Twelve Dollars^{00/100} (\$328,612.⁰⁰).

The Staff is requesting that the Board grant the General Manager the authority to issue the Notice to Proceed for the Ballast Regulator at his discretion.

Mr. Biggs made the motion that Nordco, Oak Creek, WI, be awarded the Ballast Regulator Contract in the amount of Three Hundred Twenty-Eight Thousand Six Hundred Twelve Dollars^{00/100} (\$328,612.⁰⁰). The motion was seconded by Mr. Repay. The motion was approved.

TIMKIN BEARINGS

The Mechanical Department has requested bids for Timken Bearings to be used in their daily maintenance operations and the balance is for inventory. The Timken Bearings consist of 2 pieces which are roller bearings and the race (cup). Bids were solicited for Timken Bearings and a public bid opening was held at the Dune Park Offices of the Railroad on Friday, January 16, 2015.

The request for Timken Bearings was advertised throughout the region and nationally.

A total of three (3) packets were requested for the rail prior to the bid opening. The request resulted in the receipt of two (2) bids. The bids were evaluated for responsiveness to determine if the bids could be accepted for further review.

Spreadsheet on following page.

| | |
|--|---------------|
| Engineer's Estimate: | \$241,246.98 |
| Lowest & Responsive Bid: | \$180,262.55 |
| Lowest & most responsive bidder was 25% Less than Engineer Estimate | (\$60,984.00) |

Bearing Service Co.'s DBE amount was 0%.
(All bidders had 0% DBE)

Bearing Service Company can meet the District's delivery schedule for 2015.

The Staff recommends that Bearing Service Co, Griffith, IN, be awarded the 2015 Bearings Contract for the delivery of Timken Bearings in the amount of One Hundred Eighty Thousand Two Hundred Sixty-Two Dollars ⁵⁵/100 (\$180,262.55).

The Staff is requesting that the Board grant the General Manager the authority to issue the Notice to Proceed for the Timken Bearings at his discretion.

Mr. Biggs made the motion that Bearing Service Co, Griffith, IN, be awarded the 2015 Bearings Contract for the delivery of Timken Bearings in the amount of One Hundred Eighty Thousand Two Hundred Sixty-Two Dollars ⁵⁵/100 (\$180,262.55). The motion was seconded by Mr. Kostielney. The motion was approved.

OTHER BUSINESS

The Board and Officers thank Randy Welch for his years of dedication and hard work.

Keith Casey introduced Anthony (Tony) Siegmund as the new Purchasing Manager.

MONTHLY RIDERSHIP REPORT

Mr. Parsons reported on year end ridership and on time performance.

On Time Performance. We have fifteen rush hour trains a day. The balance of our service is off-peak. In 2014 NICTD ran over 12,600 trains; with 10,819 trains or 86% arriving at their terminal location on time. We define on time using the industry standard of arriving at a terminal within 5 minutes and 59 seconds of scheduled arrival. On average 91% of our rush hour service was on time even when we factor in the problems we encountered in January and February of last year. Of those that were late a majority arrived within fifteen minutes. The reason for delays, as mentioned earlier, we have an aging fleet, and we had some mechanical issues with our cars this past year complicated by a horrible winter. This operating practice of cutting cars/adding cars in Michigan City and Gary en route remains an issue for us especially in winter weather. We also have experienced a number of delays on Metra. Our trains, in some cases, are required to operate at reduced speed because of restrictive signals – there may be an issue with the track and so forth; harsh winter weather in January through March of this past year; and also passenger train interference. When one train gets late, and we have a precision meet, it will make the opposing train late as well. That is a single track condition and would be resolved through double track.

When we do have delays, we alert our passengers. This is becoming even more popular with the free email and text alert program we have available to our customers that was launched in 2013. We notify folks if trains are running more than ten minutes late. We had 2,400 subscribers as of January of last year. As of January of this year, we have 4,000 subscribers. People like the idea of being notified of train delays and other service related issues that may impact their trip.

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

Mr. Noland announced that NICTD has once again been awarded the Certificate of Achievement for Excellence in Financial Reporting as awarded by the Government Finance Officers Association. The GFOA is a nationwide association with 17,000 governmental units that are members. It is an annual award. This is the second year in a row that we have been a recipient of this award. It highlights the great work that Keith Casey, CFO, and some of his staff do on behalf of the Board and our riders and the public who put their trust in us. Great job.

ADJOURNMENT

Mr. Evans called for a Motion to adjourn. It was so moved. The next NICTD Board Meeting is scheduled for March 27, 2015.



Respectfully submitted,
Christine Cid, Board Secretary

LJJ 1/30/15