



**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**

**April 2, 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:**

John Evans  
Mark Catanzarite  
Michael Repay

James Biggs  
David Decker  
David Wickland

Christine Cid  
David Prancus  
Mark Yagelski

**OTHERS PRESENT:**

Steven Lyons – Passenger  
Mel Jessup – Cass County Rail  
Gerald Williamson – Passenger  
Ryan Dykes – AC Inc.  
David Steffenhagen – James McHugh Constr.  
Andrew Fox – South Shore Freight  
Greg Price – Passenger

Ted Coffey – TranSystems Corporation  
Paul Willer - Passenger  
Tracey McElree – AC Inc.  
Michael Vereb – CHA  
George Rogge – Miller Business Association  
Roy G. Benedict – Passenger  
Richard Aaron - Passenger

**STAFF PRESENT:**

Michael Noland  
Chuck Lukmann, Esq.  
Chris Beck  
Laura Harrington

John Parsons  
Boris Matakovic  
Greg Yovich  
Lisa J. Johnson

Keith Casey  
Robert Byrd  
Anthony Siegmund

**CALL TO ORDER**

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

**MEETING MINUTES:**

Mr. Repay requested approval of the minutes from January 30, 2015. The motion was seconded by Ms. Cid. The motion was approved.

## **PUBLIC COMMENT**

Mr. Evans opened the floor for public comment. Second call and third and final call went unanswered. Mr. Evans closed the floor.

## **GENERAL MANAGER'S REPORT**

Mr. Noland provided an update of activity in Indianapolis and Washington D.C.

**Washington D.C.** A key topic has been Positive Train Control. PTC is currently scheduled to be required by all railroads to be implemented on 1/1/16. Very few if any railroads across the country are going to be in a position to fully implement PTC by then. Mr. Noland met with FRA along with our Congressional delegation and various other staff along with Trustee Cid and John Parsons and explained NICTD's position that NICTD has been working diligently to meet all requirements, keeping in mind the difficulties with communications issues, interoperability requirements, technology restrictions, demonstrating that PTC will not be ready by 1/1/16.

FRA is constrained because they do not have the unilateral power to do anything other than enforce what Congress has passed in a bill. However, the FRA also understands that there will have to be some form of compromise where railroads will submit a realistic plan for implementing PTC. NICTD solicited request for proposals for a PTC integrator in February with responses expected in June. We hope to bring a plan to the Board in July and start the implementation process thereafter.

While in Washington D.C., NICTD also discussed the West Lake Expansion, planned improvements to the South Shore including relocation to the west side South Bend Airport, relocation efforts in Michigan City, double-tracking, high-level platforms, all designed to improve connectivity to the City of Chicago.

David Decker informed the Board that he had been to Washington the week prior as part of the National Association of Counties as he is on their Transportation Steering Committee on a national level. He had meetings on PTC as well. Everybody is concerned about the subject.

Christine Cid stated that Lake County Council passed a resolution in favor of an extension to 2018 – not the five year extension.

John Evans stated that everyone is on board with the same issue. What might expedite the matter is the possibility of finding some funding from the government that ordered the mandate.

Mr. Noland stated that there is a Bill proposed by Congressman Lipinski from Illinois to provide \$1 Billion funding to commuter rail for PTC, five \$200 Million grants over five years. The message is being heard, but so far there is no federal funding.

**Indianapolis.** Mr. Noland stated that his trips to Indianapolis have provided an opportunity to provide more information about NICTD to key legislators including West Lake progress and the Board's vision outlined in the strategic plan. It has been well received.

The reauthorization of the RDA is key. Mr. Noland testified twice – once before the House Transportation Committee. He also testified before the House Ways & Means Committee.

**Sunrise Express and Metra Trackage Rights Agreement:** Mr. Noland praised the efforts of the Board, the employees and everyone involved in adding the Sunrise Express. He reported that local business and community leaders, along with elected officials commented on how important the South Shore Railroad is to their communities. They want this express service to be the future standard and ultimately drive service from 1 hour 55 minutes to 90 minutes.

NICTD worked very closely with Metra to fit the express train within the available windows. With little time to spare Metra required that we renegotiate the Trackage Rights Agreement (TRA) for these two new trains – they were not covered by our existing agreement. Unlike the previous TRA the current agreement is “slot” based not “mileage” based. As a result we are required to pay an additional fee for the added trains. In the first four months of the agreement no additional compensation is due. After month four, we will pay \$12,500 per train for the next eight months. At that point (March 2016), we will analyze our data and expense so there will be a full demonstration as to cost relative to new ridership. Mr. Noland requests that the Board ratify the Trackage Rights Agreement including the payments beginning with month five.

Mr. Wickland made the motion to ratify the Trackage Rights Agreement with Metra. The motion was seconded by Mr. Catanzarite. The motion was approved.

**Positive Train Control:** This is an unfunded mandate. The first engineers' estimate was about \$40 Million. The first and only bid opened up last year came in at \$120 Million, three times our engineers' estimate. The last six months have been spent working with the business community that is involved in PTC. We have revised our specifications, and there were 4 or 5 system integrators who asked for packages after the most recent pre-proposal conference. Proposals are due in June, and we are hopeful that the proposals are more reasonable and fundable within our existing bonding capacity. Our debt service is funded through the state's indefinite situs tax on rail car leasing companies. We currently have two outstanding bond issues that were used for purchasing our 14 new rail cars. We now have the ability, through our bond reserve and indefinite situs reserve, to retire the 2004 bond and to either refinance or retire the 2007 bond when it is called. We would like to do this in order to have sufficient bonding capacity to pay for PTC.

Mr. Catanzarite made the motion to authorize the General Manager to give notice of the Board's desire to retire the NICTD's Limited Obligation Bond Series 2004 and to direct counsel to take all steps necessary to accomplish same. The motion was seconded by Ms. Cid. The motion was approved.

Mr. Catanzarite made the motion to authorize the General Manager to take all steps necessary to accomplish and explore our options including, but not limited to, refinancing or retiring the Series 2007 Limited Obligations Capital Grants Revenue Bonds of the District which was refinanced in 2012 and to direct counsel to follow through on same. The motion was seconded by Ms. Cid. The motion was approved.

Mr. Catanzarite made the motion to authorize the General Manager to take all steps necessary, including the retention of professional services, consultants, whatever necessary, to accomplish the process to explore different options to finance the Positive Train Control. The motion was seconded by Ms. Cid. The motion was approved.

### **SERVICE AND FARE POLICY CHANGES SUBJECT TO A TITLE VI EQUITY ANALYSIS:**

Mr. Noland stated that the FTA established a requirement that whenever a transit system increased fares or reduced service it would establish a policy to examine the potential impact on low income and minority populations within its service area.

We hired Vleclides Schroeder and Associates, to develop a draft policy for the Board to consider. Ms. Schroeder has many years of experience working with numerous organizations. Ms. Schroeder developed a series of three policies that she presented to the Board establishing a 20% threshold for disproportionate and disparate impacts. These proposed policies will be distributed for public comment during our upcoming fare increase comment period.

Mr. Catanzarite asked how we determine whether a service change or fare increase presents a burden.

Ms. Schroeder stated that federal guidance specifies how the analysis should be done. In NICTD's case she is proposing a 20% threshold. In general if a low income or minority population suffers a disproportionate or disparate impact defined as 20% more than the non-minority or non-low income population then we must explore ways to minimize or mitigate this impact if possible. She is proposing 20% threshold because our fares are affected by what Metra charges at Hegewisch, and we do not know what the future holds in terms of Metra increases. NICTD is also a single track railroad, and we do not have a lot of service alternatives that can be used as mitigating features. Furthermore, we do not have a complimentary bus service that could be used to offset service changes on the railroad.

It is important to have a policy where we look at the situation, inform the Board that the analysis was done, and – if there is a problem – we try to address it. This would put us in compliance with the FTA's requirements.

Mr. Yagelski made the motion to authorize the General Manager to schedule public hearings regarding same. The motion was seconded by Mr. Wickland. The motion was approved.

**FARE INCREASE:**

Mr. Noland reminded the Board that in November he notified them that Metra was in the process of requesting approval for their fare increase. They approved it on that day and it was implemented on February 1<sup>st</sup>. The fare at our Hegewisch station was \$4.75 and it is now \$5.50 one way. The monthly ticket went from \$135 to \$156. Metra also charges \$1.50 a day to park at Hegewisch. Commuter railroads maintain distance based fare policies in which passengers are charged more based on distance traveled. The fare at Hammond/East Chicago is now less than the train fare at Hegewisch. We are proposing to maintain our historic balance which is \$0.50 one way cost differential between Hammond/East Chicago and Hegewisch. Matching the percentage increase that Metra made at Hegewisch, would maintain the \$0.50 differential. The fare is proposed to increase roughly 10% from all other zones to Chicago.

Mr. Noland stated that we proposing a new on board fare. Rather than using a penalty for purchasing tickets on board the train, there will be an “on board fare” where if you purchase your ticket in advance, the passenger would get a discount. The on board fare will be \$2.00 higher than if you purchase your ticket in advance. Ticket Vending Machines will be in place at all the stations. The fare increase is projected to create an additional \$1.5 Million in revenue opportunity for the railroad.

Mr. Noland informed the Board that the fleet is older, costs more to maintain, labor and fringe benefit costs have gone up, and fares must keep pace. We try to maintain a 50% farebox recovery ratio which is roughly the national average for commuter railroads.

Lastly, we do not want to be in the position that Metra was in a couple of years ago where they kicked the can down the road and then they come up and say now they want to do a 25% or a 30% or a 35% (which they did in some cases in their 2012) fare increase. I do not think that is good policy to recommend to the Board. I think it is necessary to remain fiscally sound and keep our finances in good shape. It is an important step for us to maintain that position. We just talked about Positive Train Control from capital cost standpoint to buy it. We are also looking at an annual operating hit to our budget; there is going to be more people – those technicians – to maintain that system and the licensing fees for the software are going to be significant. We have to position ourselves to be able to handle it.

It is never good news for our riders to hear that we are proposing a fare increase. We have not had one since 2012. We will be implementing it around July 1<sup>st</sup>, so it will be approximately 3.5 years since the prior increase. We are taking it in a measured standpoint. We do know that our neighbors to the west are going to be looking at substantial fare increases over the next ten years. We are not wedded to that, but we need to monitor that as well as our own costs. I am not advocating a policy on this Board where we are committing to ten years of fare increases today. What I am suggesting is that we (1) continually look at our fare box revenues, (2) make sure that our finances are in good order, and (3) are able to go down to Indianapolis and tell them that we are doing our share – which is that being we are comparable to other commuter properties around the country when it comes to the fare box generation to offset our costs.

We propose to hold hearings in the South Bend Airport, Hammond, Chesterton, Gary and Michigan City so that we can get the input from our customers throughout our 4-county service area. We will be posting public notices in cars and stations and on our website. Our plan will be to return at the May 29 meeting and share with you the comments. At that point in time, we shall put forth a final fare increase proposal.

Even with a fare increase it costs less to take the South Shore than drive to Chicago. For example at East Chicago our proposed fare increase would be \$178/month. AAA estimates costs (with tolls) would be around \$589/monthly. There is substantial differential and incentive to use the train rather than drive. We need to market this fact.

Mr. Noland displayed a slide showing a comparison of NICTD fares to properties with similar distant stations around the country. New Jersey Transit has a comparable distance station as Michigan City. NJT would be \$440/month. Our proposed fare is \$268/month.

Mr. Noland asked the Board if there were any questions and requested the Board's approval to go out for public comment. Mr. Prankus questioned raising the on board fare to \$2.00 and applying the provision at any station where a ticket vending machine is available. Our current policy only applies at stations where a ticket agent is available. He stated that not everyone in the United States has debit cards and credit cards, and that a \$2.00 fee does not seem fair.

Mr. Noland acknowledged that this would be a departure from our current policy but pointed out that most have a smartphone and the ability to purchase tickets via our free app. Most also have a debit and/or credit card. We are going to be a cashless society. That is the reality across the country with other transit systems. There may be some individuals that experience that situation. We did the analysis, and we do not believe it is going to cause a disparate impact.

Mr. Prankus referenced a FDIC report that estimated more than 30 million, over ¼ of U.S. households, are either unbanked or under banked. With some of the stations that we serve, he disagrees and believes it untrue that most people have the app and/or access to a credit card. He requests the Board really review the \$2.00.

Mr. Noland points out that the standard onboard fare differential is around \$5.00 across the country. Metra was at \$3.00/fare. They postponed it until they get their app up and running and then they are going to \$5.00/fare where a ticket agent or cash machine is available. At \$2.00/fare, we are actually much more reasonable.

Mr. Prankus asks about the marketing by AC, that the fare vs. driving chart would be something to put in the paper. It demonstrates that the savings are incredible. Mr. Noland concurs. Mr. Catanzarite requests that the IRS figure be shown in any marketing along with the AAA figure.

Mr. Evans asks how many stations do not have a TVM or a way to purchase a ticket – not counting the app. Mr. Matakovic replied that the only stations that do not have the machines are

Clark Road, Beverly Shores, 11<sup>th</sup> Street in Michigan City and Hudson Lake in Indiana and 57<sup>th</sup> St., McCormick Place, Museum Campus on Metra.

Mr. Decker asks why if the South Shore has a problem with raising the on board cost, why does Metra not? Mr. Noland replies that Metra charges an “on board penalty.” We have a \$1.00 on board penalty. We are proposing to raise that to \$2.00. Mr. Pranckus states that if there is not an agent on duty, the penalty is not charged. Mr. Noland replies that we are taking this charge away from being a penalty and changing it to a thought process of purchasing tickets in advance for a discount. We charge people today when they pay cash on the train instead of utilizing a ticket agent. We would like to shift the thought process from paying a penalty on the train to purchasing tickets in advance at a discount.

Mr. Repay states that while the FDIC has statistics regarding unbanked people is a concern, he believes that in the urban environment through which NICTD primarily operates, he believes the stats would show something different. Mr. Repay has that concern as well for a population that may be underserved by banking. We are going to look at that as part of the process. Mr. Repay does not believe it is a big concern in respect to the population that typically rides the train. However, at the same time, statistics show that people who are unbanked are spending more money at currency exchanges and places like that where they should not. It would be in their best interests to have some sort of financial institutional to at least have a debit card. Unemployment benefits, etc., are actually transmitted through a card. He does not believe it is an applicable concern to our region.

Mr. Noland reminds the Board that we will find out if these items are concerns of the population and will report the results to the Board.

Mr. Yagelski has been to four fare increase hearings in the past and the concerns do not necessarily deal with the fare. Generally concern is regarding bathrooms and services available and items as such. It is surprising the numbers have increased as high as they have with the app. Secondly, what is stopping us from installing TVMs at the remaining stations?

Mr. Matakovic responded that the purchase and installation is in process and will be complete in the next few months. Mr. Yagelski confirmed that timing should be in place to where all stations will have the ability to purchase tickets ahead of time. Mr. Noland stated that if a station does not yet have the ability (an installed TVM) to allow riders to prepurchase tickets, there will be no penalty charged.

Ms. Cid commented that if a riders bypass a TVM, once on board the train the individual could purchase your ticket with your phone using the app prior to the conductor coming through for tickets. Mr. Evans acknowledges that the demographic as stated really applies to our area, and that he believes we are more metropolitan. Mr. Pranckus states that he would like to put a face behind the person that is getting on the train who is going to pay \$2.00 in and \$2.00 out. \$4.00 is a lot of money, and if they have somebody with them that is \$8.00 in fees. Mr. Evans points out that if there is an available point of purchase at every station, it becomes the conductors’ job to educate riders to purchase their tickets prior to boarding. Mr. Pranckus

reiterates that not everyone has credit and/or debit cards. Mr. Noland acknowledges that he understands Mr. Prankus' point.

Mr. Evans asks if there is a motion for public hearings. Ms. Cid made the motion to authorize the General Manager to schedule public hearings regarding same. The motion was seconded by Mr. Repay. The motion was approved.

## **RIDERSHIP & MARKETING INITIATIVES**

Mr. Parsons announced that while we are in the middle of Spring Break, we are getting some good numbers. Ridership should really improve on the east end of the railroad with LaPorte County and St. Joe County going on Spring Break as well. Mr. Parsons informs the media that on Good Friday, there will be regular weekday service. Sunday is opening day for the Cubs. We will be ready. Mr. Parsons also announces that South Bend will be celebrating their 150 year anniversary with the kick-off scheduled over Memorial Day weekend. Mr. Catanzarite notes that information is available on the city's website at southbend.in.gov and known as SB150. There will be a lot of events, Taste of South Bend, a lot of entertainment venues. It will be a nice affair. They will be lighting the river dam with an interactive light display that will be there permanently.

Mr. Parsons presented a quarterly ridership to the Board. All segments of our ridership are positive over the first quarter of last year. Mr. O'Dea will discuss on time performance on the railroad.

Mr. O'Dea prefaced his comments by saluting the hard work of the men and women of the railroad for the most challenging quarter of the year as railroads and winter are a tough dynamic. Our employees sustained us again. Their good work and effort produced this on time performance record for the first quarter. It is really quite a contrast. We went from 74.5% in the first quarter of 2014 at weekday peak to 88.8%. Off-peak went from 76.5% to 89.4%. Weekends went from 79.3% to 85.2%. These are really substantial increases for on-time performance. Our employees dealt with very difficult conditions. On time performance, specifically, is driven in part by what the mechanical department was able to accomplish during the quarter. Available car percentages improved. Process improvements in terms of waste tanks, heating systems, etc., were improved. Two additional staff members helped on time performance as well.

March 16<sup>th</sup> was an important day in NICTD history. We entered this new timetable with an idea that we would learn from our experiences, and we will. We may make some small tweaks in July or September as we learn. We thank the employees assigned to Train #11 because they had a particularly challenging situation making sure they lived up to expectations. They have done a great job. We have received very positive comments from passengers.

As we continue to look for opportunities to reduce travel times, we do appreciate the comments in a letter from Mr. Prankus outlining a number of ways in which we could make some improvement. Thanks to Mr. Prankus' contribution we were able to lift a restriction at



South Bend for westbound service departing the station. We are looking at another of his ideas, working with engineering to see if we can make some improvements.

Thanks to Mr. Beck and the engineering department who were very helpful in making changes to some of our restrictions, to modify those, which have also contributed to our on-time performance. We hired Mr. Hardwidge who is providing us some very good outside perspective on our operation on how to improve the timetable and our overall operation.

Mr. Noland adds that, in terms of engineering improvements, it translates to reduced time. Mr. Prankus' suggestion knocked off about 30 seconds.

Mr. O'Dea shows an interesting perspective on rush hour performance on a slide. We see that about 89% of trains operating on time. When we do encounter a delay, they are basically within that 6-10 minute range. Essentially, the largest cause of delay is Metra. When looking at the Metra dynamics, it is really for a number of reasons. Metra has had some plant failures, and most recently interlocking impacting traffic. Their infrastructure, at times, has not supported on-time performance to a degree that we wish. It impacts their service as well. Reduced speed due to restricted signals, weather, passenger train interference and single track conflicts are all involved. We have also seen in this quarter a reduction in injuries from a safety standpoint. In our environment, slips, trips and falls are always a constant concern. We have a project coming at East Chicago. Chris Beck will be working on the East Chicago stairs. We realize it will be an inconvenience, but those stairs simply need to be replaced.

Mr. Evans thanks Mr. O'Dea and extends thanks from the Board to all the employees for all of their hard work.

## **PROPOSAL/BIDS REVIEW AND APPROVAL**

Mr. Siegmund announces that there is a bid recommendation to the Board to purchase three #20 universal crossovers.

### **A. SCOPE**

The Maintenance of Way Department has requested bids for 3 - #20 Universal Crossovers 115# RE to be installed in East Chicago, Gary and Ogden Dunes to begin installation in Spring 2016 and continue deliveries in Summer 2016. Bids were solicited for the Crossovers and a public bid opening was held at the Dune Park Offices of the Railroad on Friday, March 20, 2015.

### **B. ADMINISTRATIVE REVIEW**

#### **1. Legal Notifications**

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

Indy Star - Indianapolis, Indiana  
Axis Track Report  
News Dispatch - Michigan City, Indiana  
The Times - Hammond, Indiana  
Chesterton Tribune - Chesterton, Indiana  
Gary/Chicago Crusader - Gary, Indiana/Chicago, Illinois  
South Bend Tribune - South Bend, Indiana  
NICTD website

**2. Bid Review**

A total of five (5) packets were requested for the crossovers 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. All companies were deemed to be responsive.

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).

**C. ENGINEERING REVIEW & COST ANALYSIS**

Cost and Responsiveness Evaluation:

The Bids were evaluated for responsiveness to the Technical Specifications. All bidders were responsive.

*Spreadsheet on following page.*

Lowest responsive bidder DBE - 3.7% (\$66,906.00)

|                               |                  |                    |
|-------------------------------|------------------|--------------------|
| Engineering Estimate          | \$650,000 each = | \$1,950,000        |
| Lowest Responsive Bidder      |                  | <u>\$1,802,850</u> |
| 7.5 % Less than Eng. Estimate |                  | \$ 147,150         |

**D. DELIVERY**

Companies can meet the required delivery date schedule.

**E. RECOMMENDATION**

The Staff recommends that the Contract be awarded for the Crossovers to Progress Rail Services, Woodridge, IL, for an amount of One Million Eight Hundred Two Thousand Eight Hundred Fifty Dollars and <sup>00</sup>/100 (\$1,802,850.00).

**#20 UNIVERSAL CROSSOVERS  
 BID TABULATION SHEET  
 2015**

| Contractor Name                                  | Apr 4, 2016<br>East Chicago<br>MP 64.9 | May 23, 2016<br>Gary<br>MP 61.78 | Jul 11, 2016<br>Ogden Dunes<br>MP 51.5 | Total Bid<br>Amount   | Form<br>95 | Eligible<br>Bidder | Lower<br>Tier | DBE<br>% | Non-<br>Discrim. | Rest.<br>Lobby | Drug<br>Free | Buy<br>America | Cert. of<br>Qual. |
|--|--|----------------------------------|--|-----------------------|------------|--------------------|---------------|----------|------------------|----------------|--------------|----------------|-------------------|
| <b>Progress Rail Services<br/>Woodridge, IL</b>  | <b>\$600,950.00</b>                    | <b>\$600,950.00</b>              | <b>\$600,950.00</b>                    | <b>\$1,802,850.00</b> | X          | X                  | X             | 3.7%     | X                | X              | X            | X              | X                 |
| Voestalpine Nortrak, Inc.<br>Chicago Heights, IL | \$624,837.00                           | \$654,898.00                     | \$624,837.00                           | \$1,904,572.00        | X          | X                  | X             | 11.7%    | X                | X              | X            | X              | X                 |
| Unitrac<br>Knoxville, TN                         | \$642,662.00                           | \$674,189.00                     | \$642,662.00                           | \$1,959,513.00        | X          | X                  | X             | 0.0%     | X                | X              | X            | No             | X                 |

Mr. Yagelski commented about how unusual it is to see such a disparity with the 11.7% DBE compared to the 3.7%. Where do we see that issue of how we are able to save that second bidder that high of a DBE. Mr. Siegmund acknowledged that the two bidders Mr. Yagelski is referencing are first and second. The second bidder had 11.7% DBE. His 11.7% represented the purchase of ties from a DBE source. The 3.7% from the number one bidder, his all came from trucking DBEs. It is just how that number one bidder felt it was better to make himself more competitive. Mr. Yagelski's second question is about what is the requirement to reach a certain percentage DBE. What is our goal? Mr. Siegmund responded that our goal is 10.56%, and they make a good faith effort to reach that goal. We still try to get the most competitive bid to get the best value.

Mr. Noland states that the second place bidder – that was raw materials that they were providing – so that high ticket price, but wages were actually going to be paid to the DBE. Mr. Noland added that this is for a tremendous safety feature because this is a 10/15 mph bottleneck on the railroad where we have to slow down because this is such a short crossover. We are actually going to take this out and put a #20 crossover in, and will at minimum be able to travel at 40 mph and perhaps even faster. We will pick up time and it will enhance safety. This is going to be a safety enhancement and an operational benefit. It is part of our strategic plan. When the double tracking it put in, there will have to be the high speed crossovers so we can move from one track to another.

Mr. Evans asks what will the length be increased to from the old to the new. Mr. Siegmund stated a little over 414. Mr. Beck stated a little over 400 feet, and a #10 is about 270 ft. per each leg of the crossover – about twice the distance. Mr. Prankus asks if the signals will be moved. Mr. Beck replied that no, that when the signal system was designed, it was designed with future plan to put in #20s, so the signals are all spaced properly.

Mr. Decker made the motion that Progress Rail Services, be awarded the 2015 #20 Universal Crossovers Contract in the amount of One Million Eight Hundred Two Thousand Eight Hundred Fifty and 00/100 Dollars (\$1,802,850.00). The motion was seconded by Mr. Wickland. The motion was approved.

## **OTHER BUSINESS**

Mr. Yagelski asks how are we set to advertise the fare increase? Mr. Parsons replied that we will be posting ads in all the major papers from South Bend to Hammond. It will be posted on the internet, as well as posted on the trains and at the stations. Mr. Yagelski stated that he is asking because people just do not read the papers anymore. He is hoping to advertise perhaps on the radio do local advertising. Mr. Parson stated that we will be posting the increase on the trains as well. Mr. Yagelski requests that the \$2.00 prepurchase discount is advertised in a large enough font – at least as large as the increased amount will be.

Mr. Evans announced that there is a service bulletin that everyone should be aware of having to do with the rehabilitation of the stairwell at the East Chicago station.

Mr. Decker stated that while the new express train cuts time, he has been asked by several people whether there is an express out of Michigan City. He replies to them that yes, there is, but a lot of people do not realize that people can save time traveling from Michigan City. Mr. Noland responded that yes, train #106 is a tremendous train that runs express from Michigan City to Hammond and it took five minutes off the schedule and it is arriving early. We are looking at potentially taking a few more minutes off #106. Running it express from Michigan City to Hammond is approximately 30 miles, and we need to promote that as well.

## **ADJOURNMENT**

Mr. Evans called for a Motion to adjourn. It was so moved. The next NICTD Board Meeting is scheduled for May 29, 2015.

Respectfully submitted,

Christine Cid, Board Secretary