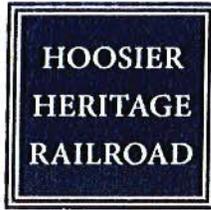


# HOOSIER HERITAGE RAILROAD

Proposal response to HHPA Railroad Operator for Marion,  
Hamilton, and Tipton County, Indiana

June 13, 2017



Hoosier Heritage Railroad Inc.  
P.O. Box 48  
Fishers, IN 46038  
(317) 459-0955  
operations@hoosierRR.com

June 13, 2017

Hoosier Heritage Port Authority  
Executive Director  
33 North 9th Street  
Suite 215  
Noblesville, IN 46060

Dear Review Committee Members:

The following documents are being submitted in response to the HHPA Request for Proposal approved and made public on April 19, 2017.

The Hoosier Heritage Railroad Inc. is a proposed non-profit entity to be established in the State of Indiana for the purpose of managing, operating, and advancing railroad strategies which strengthen Central Indiana communities through economic development supported by historical railroad operations.

It is our intent and desire to be chosen as the operator of the "Nickel Plate" rail corridor owned by the Hoosier Heritage Port Authority. Members of our project team have a diverse range of experience which lends itself to an intimate knowledge of the communities served by this rail corridor, as well as the experience required to effectively initiate and maintain a safe and sustainable railroad operation, capable of continuing in perpetuity.

Many towns and cities within the State of Indiana owe their existence exclusively to the strategic placement of railroads during industrialization of this country. The communities along this connective corridor are no different and serve as a testament to the potential future impact and development that could be cultivated with the right mix of railroad services being implemented.

We are confident that you will find the documents and plans contained within this proposal to be outstanding in all categories listed as a part of the selection criteria. Our proposal is the product of careful consideration for what this rail line has previously provided for all adjacent communities and can continue to provide in the future; should it be afforded the right opportunity.

Sincerely,

A handwritten signature in black ink, appearing to read "Logan Day", written over a white background.

Logan Day  
Project Leader  
Hoosier Heritage Railroad Inc.

# Hoosier Heritage Railroad, Inc.

## HHPA Request for Proposal Submission

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# Project Team

The project team is composed of individuals who would make up the Board of Director as well as qualified individuals to manage the day-to-day operations of the railroad. The symbol directly preceding each individual's name signifies his/her position as described below:

- ⓑ - Member of the Board of Directors
- Ⓢ - Operations Staff Member

## Ⓢ Logan Day

**Profession:** Director of Personnel & Risk Management | *Heartland Ambulance*

**Qualifications:** Brakeman | *Whitewater Valley Railroad*  
Authorized Volunteer | *Operation Lifesaver, Inc.*

**Certifications:** Certified Ambulance Compliance Officer | *NAAC*,  
EMT | *Indiana Department of Homeland Security (exp. July 2018)*  
CPR | *American Heart Association*

**Role:** Logan's role within the organization would be to serve as the Vice President of Development and Marketing, guiding the growth, safety and marketing of the railroad organization.

## Ⓢⓑ ██████████ (Proprietary)

**Profession:** Locomotive Engineer | ██████████

**Qualifications:** Locomotive Engineer | ██████████  
Publicity Director | ██████████

**Certifications:** Certified Locomotive Engineer | *Federal Railroad Administration*

**Role:** ██████████ role within the organization would be to serve as the President of the railroad. He would be responsible for the overall operations, hiring, and training of key operational staff.

## ⑥ Richard Vonnegut

**Profession:** CEO | *Indiana Trails*  
President | *Indiana Trails Fund, Inc.*

**Qualifications:** Indiana Trail Coordinator | *American Discovery Trail*  
Founding Member | *Indianapolis Greenway Boards*

**Role:** Richard would serve as the trail development expert on the Board of Directors; guiding our collective vision of rail-with-trail development.

## ⑥ Ryan Kruse

**Profession:** Recent Graduate | *IUPUI*

**Qualifications:** B.A. Geography | *IUPUI*  
B.A. Political Science | *IUPUI*

**Certifications:** Graphic Design Certificate | *International Business College*

**Role:** Ryan would serve as the ADA advocate on the Board of Directors; helping our railroad to become accessible to all visitors.

## ⑥ Tom Knuckles

**Profession:** Retired Railroader (42 years) | *Penn Central Railroad*

**Qualifications:** Transportation Department Manager | *Conrail*  
Supervisor of Train Operations | *Conrail*  
Administrative Assistant to Superintendent | *Conrail*  
Track Engineering and Maintenance Worker | *Penn Central*  
Stations Department | *Pennsylvania Railroad*

**Role:** Tom's vast experience within the railroad industry makes him the ideal Chairman of the Board of Directors of the Hoosier Heritage Railroad.

## ⑥ Charles Connett

**Profession:** Certified Public Accountant | *Brugh Group CPA's*

**Role:** Charles has over 25 years of experience as a CPA and would serve on The Board of Directors to guide the financial course of the HHRR.

## © Christopher DeVore

**Profession:** Railroad Engineer | *CO Regional Transportation District*

**Qualifications:** Delivery Driver | *FedEx Ground*  
New Hire Trainer | *FedEx Ground*

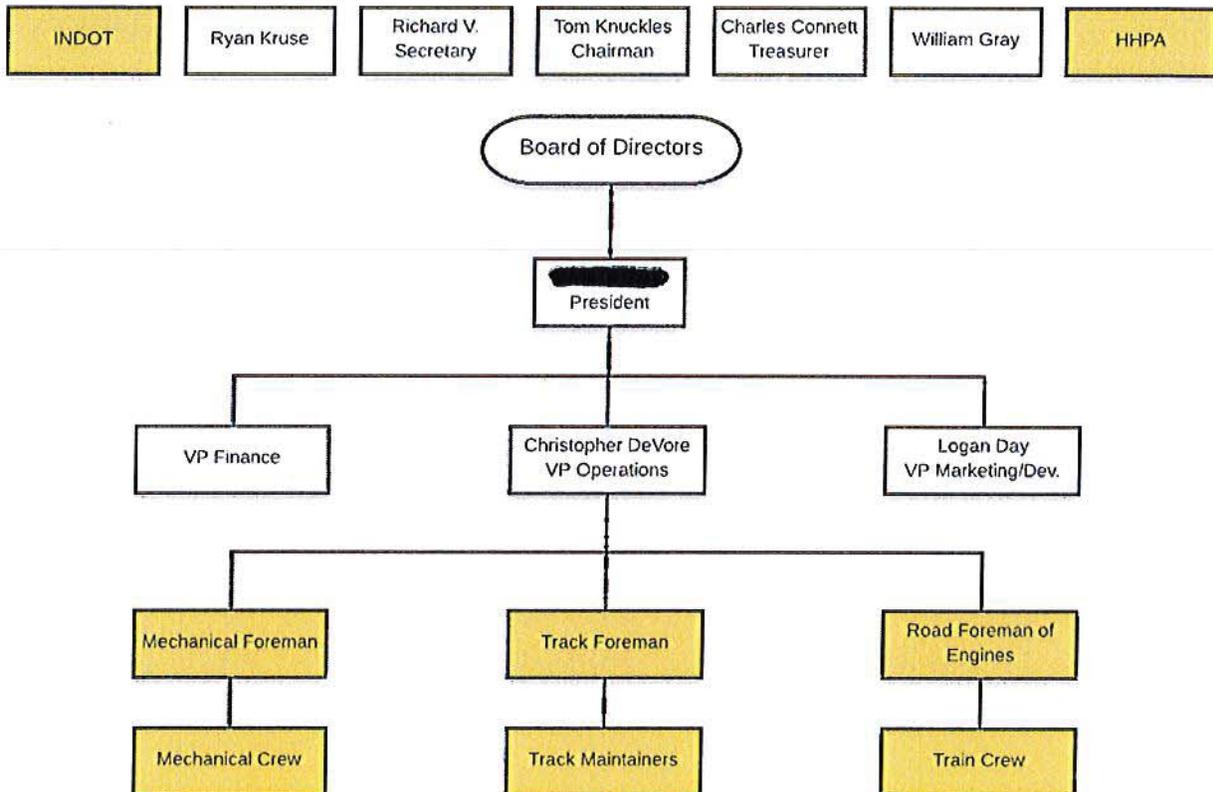
**Certifications:** Light Rail Operator | *CO Regional Transportation District*

**Role:** Chris would be joining the HHRR team as the Vice President of Operations; initially becoming certified to operate our equipment and then helping to hire and train additional operational crew members.

(see attachment A for resumes)

## Proposed Organizational Chart

PROPRIETARY



# Funding of Operations

## Startup

Startup of operations will include ticket pre-sales - including but not limited to season passes and the inaugural train ride. Additional initial investment will stem from online crowd-sourced campaigns by the communities who have already expressed an overwhelming support for this line and it's continued success. Additional monetary resources will be implemented via local social entrepreneurs who have already been identified\* and approached us to offer additional financial qualifications upon request.

\*Their involvement and capacity to be involved will be determined in response to how the HHRR is established as an organization in the State of Indiana.

## Ongoing

Ongoing stability of the HHRR will be similar to many successful passenger rail lines across the United States. Ticket revenue will be first and foremost, the breadwinner for this organization (breakdown of projected revenue in subsequent pages). Supplemental to ticket revenue, sponsorships of various event trains, merchandise sales, and donations will also be part of the funds that keep this organization on the right track.

	Projected Revenue	Projected Expenses	Projected Net Revenue
Year 1	\$964,600	\$823,860	\$140,740
Year 2	\$1,061,060	\$846,189	\$214,871
Year 3	\$1,167,166	\$888,751	\$278,415
Year 4	\$1,283,882	\$950,963	\$332,918
Year 5	\$1,412,270	\$1,036,549	\$375,720
<b>TOTALS</b>	<b>\$5,888,978</b>	<b>\$4,546,312</b>	<b>\$1,342,664</b>

## Corridor Utilization

The primary value of the Nickel Plate corridor to its communities and the HHRR resides in the activation, utilization and expansion of the entire 37.5 mile line; which currently exists from 2.1 miles south of 38th St in Indianapolis to SR28 in Tipton, IN. Present day examples of similar "linear" type corridors demonstrate the highest and best use consistently to be that of full and expansive utilization.

HHRR desires to operate trains along the entire length of the existing corridor. During the initial period of startup, the track between Noblesville and Indianapolis would be the focus of operations and rehabilitation. The goal is to "jump start" the return of rail service to the entire line by first focusing on excursions and trips that are easily accessible to residents within the most densely populated communities along the corridor.

It is anticipated that following two years of consistent service to the Indianapolis, Fishers, and Noblesville markets, revenue and programming can be established at a sustainable level; allowing for reinvestment in the Northern portion of the line between Noblesville and Tipton. In addition, we can contribute to the planning of supplemental trail infrastructure.

Continuous capital investment, rehabilitation, and upgrade to the railroad line is integral in our vision of achieving long-term, successful train service along the corridor. With two opportunities for connection to the National Rail Network, we see reconnection as a required part of this line's survival and future.

HHRR desires a connection to the National Rail Network via Norfolk Southern tracks in Tipton to allow for additional expansion of service as well as easier acquisition and divestiture of railroad equipment. Prospects of a connection in Tipton also allow for potential extended service as far North as Kokomo if the Nickel Plate is reconnected to the existing trackage across the Norfolk Southern mainline.

The possibility also exists to expand the corridor South to run alongside and potentially connect with CSX tracks into Union Station in Indianapolis. HHRR would pursue options and fundraising to facilitate a Southern connection to downtown Indianapolis as well. A survey of 590 Fishers residents indicates a strong desire for better connectivity to Indianapolis (see attachment B).

The HHRR is most interested in exploring the expanded service capabilities of a fully connected line to CSX in Indianapolis and Norfolk Southern in Tipton. Full connection would serve to further increase the future value of the corridor for the communities it serves and the rail operators thereon.

# Proposed Operations

## Overview

The HHRR seeks to operate a wide variety of train rides, events, and excursions along the entire corridor, all year long. Exact startup processes and timelines are contingent upon the length of time until an operator is selected and the duration of time for HHPA to review and negotiate specific terms of an operating/lease agreement with the operator.

The HHRR will host railroad operations and activities originating and terminating within multiple communities along the entire corridor. The goal, after startup, is to establish a 365 day operating season which activates these areas all year long. A weak point of previous operations was the lack of community awareness of the variety of excursions and train rides offered. While many individuals can cite the existence of the State Fair Train™ and the Polar Bear Express™, few people know much about the other successful excursions that were previously operated. The HHRR is committed to community awareness and involvement with its operation.

## Strategy

### Phase I | Short-Term (Year 1)

Activate the HHRR entity structure and operations.

Rehabilitate the corridor between Noblesville and Indianapolis.

Resume active railroad operations for the 2018 season.

Investigate opportunities business development opportunities between Noblesville and Tipton.

Plan and adapt for Phase II.

### Phase II | Mid-Term (Years 2 & 3)

Improve the operations using data and feedback from previous year.

Expand the operations to include Northern running operations through rehab investment and collaboration with local governments, organizations, and businesses to integrate with local events.

Revitalize the corridor through investment in trails and other alternative transportation options.

Secure property for and begin construction of permanent rail yard, maintenance, station, and museum facilities.

Review plans and adjustments for Phase III.

### Phase III | Long-Term (Years 4+)

Explore proof-of-concept rail transit operations along the corridor.

Commit a percentage of revenue towards continuous trail and adjacent corridor improvement.

Continue HHRR and HHPA facility development in accordance with long-range plan.

## Startup Timeline

**July - August 2017** - HHRR chosen as the Operator

**by September 2017** - HHRR completes formal organization formation.

- HHRR executes equipment lease agreement with the Indiana Transportation Museum (ITM).

- Begin presales of 2018 season passes to raise startup capital.

- Primary operating crew begins assessing, inspecting, and training on railroad equipment within ITM facilities at Forest Park.

- Begin recruitment and training of additional paid and volunteer staff for track and operations crew (if needed).

**by October 2017** - Operating agreement fully signed and executed by and between HHRR and HHPA.

- Track rehabilitation commences between Noblesville and Indianapolis Using both qualified HHRR staff, and track maintenance contractors.

- Launch online and offline marketing campaigns for 2018 season.

- Host "preview event" to garner support and enthusiasm for 2018 season.

**by January 2018** - HHRR is fully operational and prepared for the first excursion, the Valentine's Day Limited on February 14, 2018

# Areas of Operations

## General Operations

### Year 1

The day-to-day operations of the HHRR are expected to eventually include use of the entire rail corridor. However, during the first year of operation it is anticipated that only the South (Green) portion of the corridor will be utilized, until sustainable train service can support further reinvestment toward infrastructure upgrades to the Northern tracks.

### Year 2-3

Infrastructure rehabilitation and improvements to the Northern (Blue) tracks will commence in preparation for expanded future train service. Operations on the Southern tracks will focus on integration with local events, organizations, and businesses during this season. HHRR hopes to spur local business development along the corridor by partnering with local businesses and governments to cultivate authentic and engaging programming.

### Year 4-5

Full utilization of the entire corridor from MP 5.1 to MP 39.3 is expected by the end of this period. If connection to NS on the North end and CSX on the South end have not BOTH been established, HHRR will collaborate with the HHPA to work on establishing Northern and Southern connections of the line.

### Long Term

The HHRR believes that after re-establishing a connection to NS tracks in Tipton, further expansion of rail services to Kokomo is easily attainable due to existing rail along a majority of the corridor between Tipton and Kokomo. Ultimately, a connection and expansion of this magnitude would create a world-class corridor bolstering our communities as the models of historic rail corridor repurposing for modern recreation, transportation needs, and economic development.

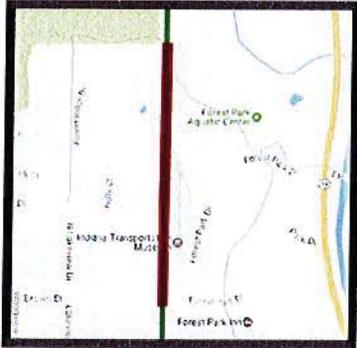
The success of reconnecting Northward to Kokomo and South to Union Station depends on collaboration and negotiation with various jurisdictions, organizations, and communities. Ultimately, the vision of a well-connected, active rail line linking so many areas to the State capitol would become one of Hamilton County's most valuable and highly sought-after assets.



Background maps in the above images sourced from *Google Maps*.

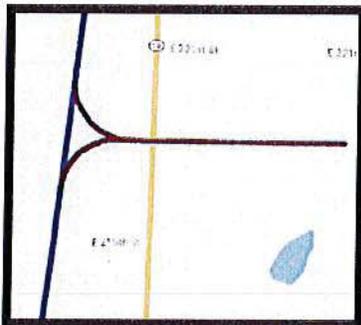
## Facility + Storage Operations

### Forest Park Segment (temporary)



The equipment we seek to use in this proposal belongs to the Indiana Transportation Museum and would be accessible to HHRR under the scope of an equipment lease agreement. Due to the fact that the equipment currently resides in Forest Park, our initial access to the locomotives and other rolling stock must originate from Forest Park. Because of this, we anticipate needing temporary approval to switch equipment on the line adjacent to Forest Park. *It is our intent to establish storage and switching facilities as soon as practicable after an operating agreement has been executed between HHRR and HHPA.*

### Davin Wye (Option 1)



HHRR would like to use all of the track diverging East from the mainline at Davin Wye for storage and switching facilities until permanent facilities can be established. Stabilization and rehabilitation of this track and the connecting mainline would be completed prior to its use for equipment storage and switching. In order to secure the area for storage of equipment, HHRR would request permission from HHPA to install temporary security fencing around the track located East of Highway 19 to deter vandalism and trespassing.

### 38th Street (Option 2)



Previously, the Norfolk & Western rail system operated a rail yard facility located South of 38th Street between Sutherland Avenue and Fall Creek. HHRR may desire to contact Norfolk Southern, the current owner of this land, to negotiate use of the land for the re-establishment of a rail yard facility. A major benefit afforded by a rail yard in this location is its proximity to downtown Indianapolis. However, historically, rail equipment stored in this area was at high risk for vandalism. Extra security measures would need to be taken in order to utilize this area of the line to establish a yard facility.

Background maps in the above images sourced from *Google Maps*.

## Excursion Operations

During the rehabilitation project, excursions will be modified and adapted as needed to suit the available segments of line for rail service. The desire is to activate and utilize as much of the line as possible for each excursion.

### Local Excursions

*Train operations remain within 5 miles of the originating point.*

Easter Egg Train  
Day Out with Thomas  
Pumpkin Train

### Regional Excursions

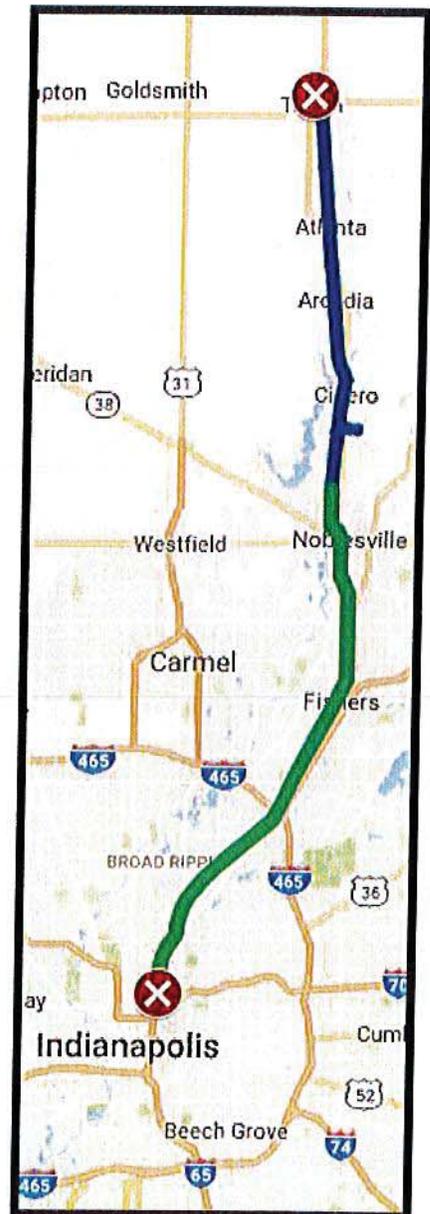
*Train operations exceeding 5 miles from the originating point.*

Valentine's Day Limited  
Farmer's Market Train  
4th of July Train  
Symphony Train  
Devour Downtown Train  
Brew Tour Train  
Wine & Travel Train  
Holiday Express

### Charter Trains

*Special trains scheduled by external groups. The use of HHPA rail line for these events would be determined on a case-by-case basis.*

School Field Trips  
Corporate Outings  
Weddings  
Other Charter Events



Background maps in the above images sourced from *Google Maps*.

## Freight Operations (if requested)

At this time, very little is known about freight interest along the corridor as it is not HHRR's intent to pursue freight service. What the HHRR does know about potential freight traffic is:

- Freight traffic would require a connection to the National Rail Network via Tipton and/or Indianapolis.
- Any future freight traffic would consist exclusively of short HHRR trains transporting 2-8 cars at a time to mainline connections, NOT large freight thru-trains.
- The public and city leaders perceive the movement and storage of freight equipment as an eyesore and diminution of the aesthetic value of their communities.
- Concerns of traffic disruption, vandalism, safety and other such topics are quick to surface at the mention of rail freight service.

The HHRR agrees that freight operations could pose various challenges along this line without proper foresight. While it is not the intent of the HHRR to pursue freight service, we have examined how low-volume freight traffic could be effectively managed in a non-objectionable manner.

### Route Restrictions

The initial safeguard for allowing freight traffic would call for specific route restrictions to minimize any interference with roadway traffic at grade crossings. This plan would call for limited use and prohibited use segments of the line.

**Prohibited Use** - Due to the fact that the railroad tracks traverse many highly-traveled roadways and are inlayed within the streets of downtown Noblesville, we would highly suggest prohibition of freight traffic between the 96th Street and 206th Street crossings without specific, prior written approval from HHPA.



**Restricted Use** - Use of the line South of 96th Street and North of 206th Street would be restricted to limited freight traffic traveling South and North respectively. This type of freight traffic should be reported to the HHPA with at least 30 days advance notice prior to the start of freight service. Freight traffic must be handled in accordance with a pre-established schedule. Further details of freight scheduling and timing are provided on the next page. No temporary or long-term freight equipment storage allowed between 96th Street and 206th Street.

Background maps in the above images sourced from Google Maps.

## Time Restrictions

General knowledge of traffic patterns and peak travel times within Hamilton and surrounding counties provides a framework of how to appropriately restrict freight traffic based on time of day and year. The prevailing restrictions would include:

- No freight traffic between the hours of 6AM-8PM.
- Each unique freight customer will require a pre-established schedule of freight services to be recorded and reported to the HHPA and corridor Owners as a courtesy.
- All passenger trains will have priority over freight trains.
- Special freight schedules and restrictions may be imposed during holidays and special events.

## Quiet Zones

As a consequence of dense urban development along the rail corridor, some nearby residents have come to see use of train horns as a safety warning device at grade crossings as a nuisance. Under the Train Horn Rule (49 CFR Part 222) established by the Federal Railroad Administration, localities with railroads present may establish "quiet zones," which mitigate the effects of train horn noise by allowing trains to discontinue use of their horn within designated limits.

The establishment of quiet zones depends on a variety of factors including but not limited to:

- Length of desired quiet zone (minimum of one quarter mile)
- Number of crossings to be affected by quiet zone
- Minimum level of protection provided by safety devices at grade crossings
- An aggregated "risk score" based on current and proposed grade crossing statistics

HHRR has researched the requirements and feasibility specific to establishing quiet zones along this corridor and believes it to be an attainable goal. The sources for research were:

Train Horn Rule - <https://www.fra.dot.gov/Page/P0889>

Create a Quiet Zone - <https://www.fra.dot.gov/eLib/details/L03055>

Quiet Zone Calculator - <https://safetydata.fra.dot.gov/quiet/login.aspx>

Outside of the purview of this section, HHRR believes that regardless of freight traffic, establishing quiet zones would be a pertinent undertaking in order to be good stewards of the communities we would serve.

# Equipment + Facilities

## Rolling Stock

HHRR does not currently own rolling stock and has entered negotiations with the Indiana Transportation Museum to lease various locomotives and passenger cars currently stored at the yard facility in Forest Park (see attachment C).

Proposed equipment is as follows:

### 2 Road Locomotives

Year	Road Name	#	Make	Model
1949	MILW (NKP)	83A	EMD	F7A
1955	UP (ITM)	200	EMD	GP9

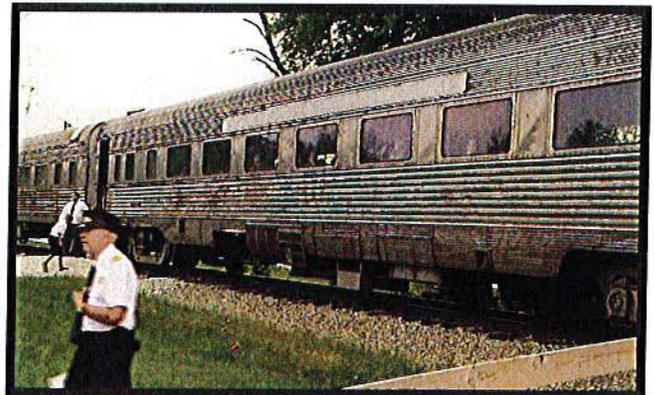
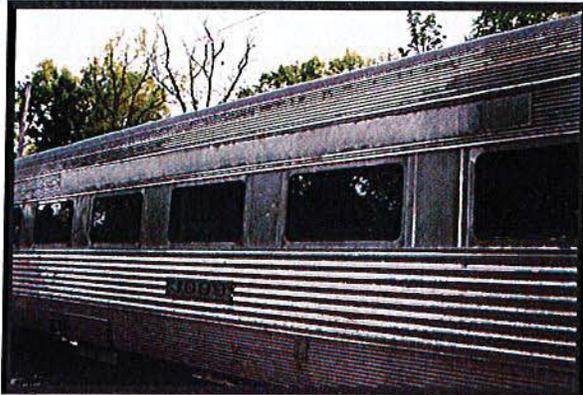


### 1 Switcher Locomotive

Year	Road Name	#	Make	Model
1945	U.S. Navy (NKP)	9	Diesel	Baldwin



4 Stainless Budd Coaches (ca. 1937)



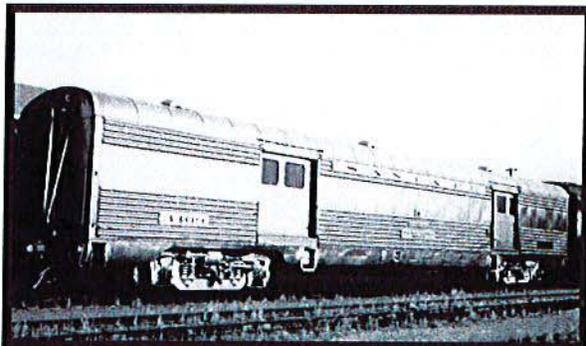
1 Open Air Coach



1 Caboose



1 Baggage Car



*Baggage car photographed above is a similar car to the proposed equipment requested from ITM.*

## Facilities

HHRR has done a field study of various potential sites for yard and maintenance facilities. Of all the sites surveyed, there are 3 that stand out as possibilities, and one in particular that seems most suitable for the size and growth of operation proposed by HHRR.

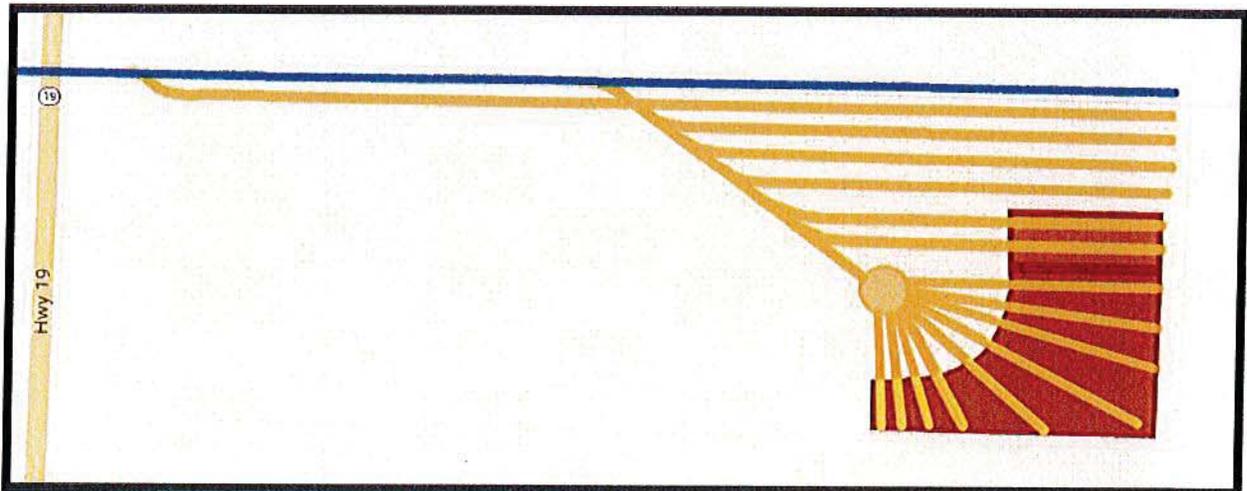
### *Davin Yard | 45 acres*

The area of most interest for rail yard and facility development is the land to the East of Davin Wye. As it sits, this segment of track offers some limited storage opportunities, if rehabilitated. Even more significant is the extremely useful nature of the Wye itself. This particular feature lends itself well to use for switching and turning equipment without the need for a turntable. In addition, the layout allows for easy excursion origination with its central location along the line and diverging switch points to go North or South.

Success of this plan depends on the willingness of relevant land owners to lease or sell adjacent tillable farm land for the development of a railroad facility. HHRR has already reached out to the owners to begin the negotiation process of a lease or purchase.

The initial goal would be simply to install enough storage track to store equipment permanently. This would likely only require rehabilitation to HHPA rail East of Highway 19 and installation of approximately .25 miles of parallel track, 2 switches and security fencing.

As part of a 10 year strategic plan, HHRR would like to see site development that culminates in an extensive display and museum facility, as shown below.



Background maps in the above images sourced from *Google Maps*.

### 75th & Binford Yard | 12 acres

The outlot behind the Stanley Security building at 75th St. and Binford Blvd. in Indianapolis is a suitable secondary candidate for a rail yard and storage facility. This property is owned and controlled by Best Access Solutions out of Pennsylvania.

The length of this plot of land makes it ideal for a rail yard due to the ease of installing parallel storage tracks without the need for multiple switches and small stub tracks. There would be a relatively minimal cost associated with grading or preparing the site for railroad tracks, as it is mostly flat grassland. Another benefit to this location is its seclusion behind commercial buildings.

The 10-year vision for this property would be to construct 2 or three long house tracks, a maintenance facility, a small museum or display, and a passenger station for boarding excursion trains .

As with any land development proposal, this too is contingent upon the owner being willing to negotiate a land lease or purchase. Preliminary efforts have been made to begin these negotiations with the owner.



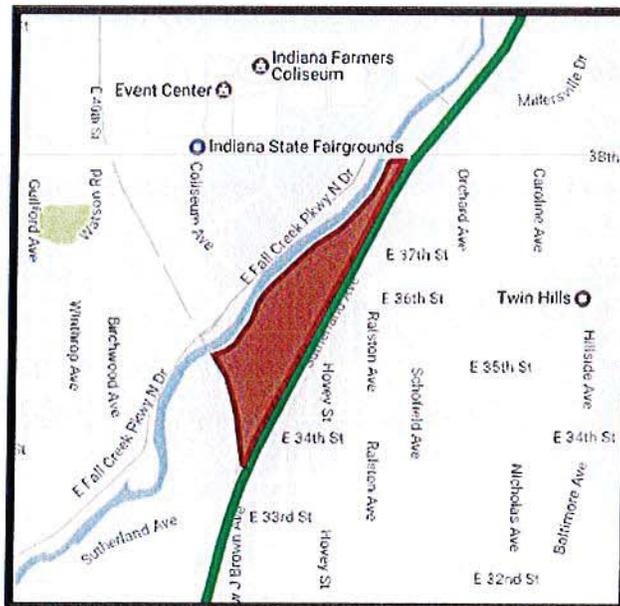
Background maps in the above images sourced from *Google Maps*.

### 38th Street Yard | 32 acres

The land located between Sutherland Avenue and Fall Creek, just South of 38th Street, would be developable as a rail yard and maintenance facility. The strongest case for developing a rail yard facility at this location is its previous use as a rail yard along the Nickel Plate corridor. The location within Indianapolis is actually quite suitable for a rail yard facility with regards to the river that creates a separation barrier to the West and Sutherland Avenue which creates a separation barrier to the East.

As mentioned previously, the propensity for vandalism and damage of equipment stored at this location would necessitate excessive security measures be implemented in order to minimize the impact of crime on the cost of the railroad.

Currently, this parcel of land is listed as being owned by Norfolk & Western, the owner of the rail line prior to the HHPA. Today, that would mean that Norfolk Southern has controlling interest of the land and would need to be contacted for lease or purchase arrangements. HHR has not yet reached out to Norfolk Southern to discuss this land. NS does have a better reputation than most Class I railroads of being friendly and amenable with tourist and heritage railroad operations. We expect that this location would be the easiest to secure for a yard facility but the least desirable.



Background maps in the above images sourced from *Google Maps*.

## Proposed Operation Employees

Upon selection of the HHRR as the operator of the proposed rail line, interviews will be conducted for the currently vacant paid and volunteer positions: Mechanical Foreman, Track Foreman, Road Foreman of Engines, Mechanical Crew Member, Track Maintainer, and Train Crew Member. All HHRR employees and volunteers will be required to pass an annual operating and safety rules test. The general qualifications for each of these positions is outlined below.

### **President - [REDACTED] (Proprietary)**

#### *Responsibilities*

The role of the HHRR President is to provide general oversight and operational management of the organization on a day-to-day basis. This individual should have relevant experience in the railroad and non-profit industry.

### **Vice President | Development & Marketing - Logan Day**

#### *Responsibilities*

The role of the VP of Development & Marketing is to guide the growth, safety, and marketing of the railroad. This individual should have relevant railroad experience and a successful marketing background.

### **Vice President | Operations - Christopher DeVore**

#### *Responsibilities*

The role of the VP of Operations is to participate in the day-to-day train operations of the HHRR as well as recruit and train new operating crew members.

### **Vice President | Finance - Not yet confirmed.**

#### *Responsibilities*

The role of the VP of Finance is to guide and maintain the financial decisions of the day-to-day operations of the HHRR.

### **Mechanical Foreman**

#### **Required Certifications & Education:**

*High School Diploma or GED*  
*ASE Diesel Mechanic Certification (preferred)*  
*Valid driver's license in the State of Indiana*

#### **Required Experience & Skills:**

*Must possess an exemplary work safety record with previous employers*  
*Minimum 7 years of verifiable experience in the railroad industry*  
*Minimum 5 years of verifiable experience maintaining and repairing diesel engines*  
*Minimum 3 years in a leadership role interpreting and enforcing safety policies*  
*Demonstrated knowledge of FRA/AAR rules and regulations governing maintenance inspection, and repair of railcars and locomotives*  
*Extensive knowledge of the functions of locomotives and railcars*  
*Must be able to pass a pre-employment physical*  
*Must pass a pre-employment drug and alcohol test*

### **Track Foreman**

#### **Required Certifications & Education:**

*High School Diploma or GED*  
*Trade school certificate or Associate's Degree in relevant field (preferred)*  
*Extensive knowledge of Code of Federal Regulations Title 49 Part 214*  
*Extensive knowledge of GCOR or NORAC policies and procedures*  
*Extensive knowledge of FRA track guidelines*  
*Valid driver's license in the State of Indiana*

#### **Required Experience & Skills:**

*Must possess an exemplary work safety record with previous employers*  
*Minimum 7 years of verifiable track maintenance and planning experience*  
*Minimum 5 years in a leadership role interpreting and enforcing safety policies*  
*Demonstrated excellence in leadership skills*  
*Demonstrate excellence in deadline and crisis management abilities*  
*Must be able to pass a pre-employment physical*  
*Must pass a pre-employment drug and alcohol test*

### **Road Foreman of Engines**

#### **Required Certifications & Education:**

*High School Diploma or GED*

*Locomotive Engineer's License*

*Must obtain HHRR Locomotive Engineer Certification*

*Valid driver's license in the State of Indiana*

#### **Required Experience & Skills:**

*Must possess an exemplary work safety record with previous employers*

*Minimum 7 years of verifiable locomotive operations experience, training, and education*

*Minimum 5 years in a leadership role interpreting and enforcing safety policies*

*Demonstrated effectiveness in training and instructional techniques*

*Demonstrated leadership skills*

*Demonstrate excellence in communication (verbal and written)*

*Must be able to pass a pre-employment physical*

*Must pass a pre-employment drug and alcohol test*

### **Mechanical Crew Member**

#### **Required Certifications & Education:**

*High School Diploma or GED*

*Trade school certificate or 2 years of mechanic experience (preferred)*

*Valid driver's license in the State of Indiana*

#### **Required Experience & Skills:**

*Must possess an exemplary work safety record with previous employers*

*At least 2 years of relevant railroad experience (preferred)*

*Strong mechanical aptitude*

*Working knowledge of the interrelated functions of locomotives and railcars*

*Must be able to pass a pre-employment physical*

*Must pass a pre-employment drug and alcohol test*

### **Track Maintainer**

#### **Required Certifications & Education:**

*High School Diploma or GED*

*Working knowledge of FRA track guidelines*

*Valid driver's license in the State of Indiana*

#### **Required Experience & Skills:**

*Must possess an exemplary work safety record with previous employers*

*1 year verifiable track maintenance and planning experience (preferred)*

*Must be able to work in all outdoor weather conditions*

*Must be able to pass a pre-employment physical*

*Must pass a pre-employment drug and alcohol test*

### **Train Crew Member**

#### **Required Certifications & Education:**

*High School Diploma or GED*

*Must obtain appropriate HHRR crew member certification*

*Valid driver's license in the State of Indiana*

#### **Required Experience & Skills:**

*Must possess an exemplary work safety record with previous employers*

*1 year of railroad operations experience (preferred)*

*2 years of customer service experience (preferred)*

*Demonstrate excellence in communication (verbal and written)*

*Demonstrated conflict management skills*

*Must be able to pass a pre-employment physical*

*Must pass a pre-employment drug and alcohol test*

## Annual Excursions + Revenue Projections

### **Valentine's Day Limited | \$23,400**

*Take a ride on Valentine's Day and surrounding weekends, complete with hors d'oeuvres and beverages en route to a local restaurant. Pricing is all-inclusive.*

### **Easter Egg Train | \$9,600**

*Train to take children of all ages to meet the Easter Bunny on their way to and from an Easter Egg hunt.*

### **Day Out with Thomas | \$35,000**

*Providing our youth with the chance to meet the storybook characters Thomas the Tank Engine and Sir Topham Hatt on A Day Out With Thomas™.*

### **Farmers Market Train | \$28,800**

*Skip the hassle of parking at the farmer's market - community members can engage in a multitude of Farmers Markets and Craft fairs while also alleviating parking congestion at respective sites. Trains would encourage surrounding Marion and Tipton County residents to come and experience what Hamilton County has to offer*

### **4th of July Train | \$6,000**

*4th of July fireworks don't always fall on the same evening, but always guarantee congestion. This is another event that would allow inter-community transportation and alleviate parking struggles.*

### **Symphony Train | \$75,600**

*Symphony on the Prairie is another Fishers favorite. Implementing train pickup and drop off for this series of summer events would lessen parking/congestion issues along Allisonville Road and be a great nostalgic experience to start and complete each of these summer concert events.*

### **Devour Downtown Train | \$16,800**

*Too full to drive after a delicious meal? This train would work with restaurants along the trail for pickup and drop-off further encouraging economic stimulus with this already successful event. Go ahead, have that second glass of wine! We've got the keys!*

### **Brew Tour Train | \$100,800**

*Marion + Hamilton Counties have become a great incubator for a wide array of brewing companies. Each month a featured brewery will host their recipes for a Brew Tour Train Ride educating riders about their various brews during a taste testing session.*

### **Wine & Travel Train | \$113,400**

*Let the aromas of local wine wisp you away as the "Wine Train" glides down the rails. Who needs wine & canvas when you can wine and relax. Sure to become a local favorite.*

### **Train to the Fair | \$129,600**

*Historical favorite is back! This train has a track record of success, and will be back online for another season of fair goers.*

### **Pumpkin Train | \$21,600**

*Pumpkin patch location TBD, but excitement is not. Take the train from your own backyard to a nearby pumpkin patch for harvest fun and activities.*

### **Holiday Express | \$404,000**

*Take the Holiday Express to the North Pole. Children board the train ready for cookies and hot chocolate for a chance to meet the jolly man himself in an experience they'll never forget.*

Excursions are subject to rescheduling, discontinuance, or other changes based on popularity.

## Maintenance + Rehabilitation Plan

HHRR has studied the Track Inspection Report and Rehabilitation Plan created by Janotti Rail Consulting, Inc. (Janotti Report) in order to determine reasonable expectations regarding current track condition, required initial investment prior to operation, and ongoing re-investment. HHRR representatives also completed a site visit on Monday June 5 to visually inspect the condition of the line and potential facility site locations.

It is important to note a few key elements about the Janotti report:

- The Consultant's opening remarks pay testament to the rare "high and dry" nature of the line as well as the fact that most track components on the line are good to fair condition.
- The Consultant repeatedly emphasizes that despite a few deferred maintenance issues which need immediate attention, the railroad was well engineered, constructed, and maintained over time.
- The report is concentrated on bringing the entire railroad line up to FRA Class II level of service; allowing for passenger traffic at 30 MPH.
- Crosstie conditions between Fishers and 38th Street were improved with a 4,849 tie replacement and but will need an additional quantity of ties in "isolated locations" to cover all Class Two requirements along that section of line.
- The line from Fishers to Tipton will require significant tie replacement to meet Class II track requirements along that entire segment of the line.

### Initial Rehabilitation Investment

In order to establish service between Noblesville and 38th Street, the HHRR has anticipated as much as \$150,000 in projected pre-startup funds to complete track work along this segment. Utilizing the most recent tie replacement figures from 2013 and combining that with annualized maintenance costs of \$6,500 per mile, it is expected that needed rehabilitation costs to resume operations between Noblesville and 38th Street should fall between \$117,000 and \$150,000.

### Ongoing Rehabilitation Plan

The Janotti Report Rehabilitation Plan specifies a probable cost estimate of \$3,715,000 to upgrade the entire corridor to Class II FRA track standards. Rehabilitation projects of this magnitude often are designed with a progressive timeline spread over the course of multiple years to manage the large financial outlay. The cost estimate was broken as so:

Phase 1 - MP 5.1 to 16.5	\$1,065,000
Phase 2 - MP 16.5 to 39.3	\$2,650,000

After initial investment of \$150,000 to the Phase 1 project, there will be approximately \$915,000 of remaining rehabilitation costs to complete Phase 1. Following the end of year 1 operations,

the HHRR will establish an ongoing, long-term maintenance plan for the corridor using actual revenue data from 2018. The anticipated maintenance schedule through year 3 is as follows:

	Startup	Year 1	Year 2	Year 3	Totals
<b>Maintenance</b> (\$6,500/mile/year)		\$223,300	\$223,300	\$223,300	Attributed to phase 1 & 2
<b>Phase 1</b>	\$150,000	\$64,757	\$71,232	\$78,355	<b>\$699,294</b>
<b>Phase 2</b>		\$158,543	\$174,397	\$191,836	<b>\$859,726</b>
					<b>\$1,559,020</b>

After 3 years of intensive investment in the tracks, the total track rehabilitation plan will be 41% complete. After phase 1 has been completed, budgeted rehabilitation funds for phase 1 will be diverted to complete phase 2 in a more expedient manner. Following the investment outlay specified above, the entire track rehabilitation project should be 84% complete by the end of year 6, according to the original estimates in the Janotti report.

The costs of contracted tie replacement and grade crossing reconstruction have a significant impact on the overall estimates of this rehabilitation project. Use of in-house track work will help to reduce tie replacement costs by as much as 30%.

Due to the high costs associated with grade crossing work, it is requested that the HHPA allow the HHRR to apply for grants or other funding sources to assist with the high costs of crossing maintenance and other line maintenance. If the HHPA is not amenable to this arrangement, then the HHRR would request that the HHPA take primary financial responsibility for crossing maintenance while negotiating cost-sharing agreement with HHRR for crossing maintenance.

The total scope of the rehabilitation project as defined above would last a maximum of 10 years without any additional revenue, grant awards, or other unexpected income. It is important to keep in mind that the track can (and would) be utilized during rehabilitation, at whatever the appropriate speed is in relation to the condition of the track to ensure safe operations.

## Vision for HHPA Facilities

### Short Term

As mentioned above, the short-term vision is to re-establish heritage train operations along the Southern segment of the line between Noblesville and Indianapolis. HHRR desires to contribute to the continuous improvement of the rail line so that it can become a world-class operation.

At a minimum, we see the entire line re-activated in phases. The HHRR would bring back the family favorite trips while enhancing their quality and expanding the excursion offerings. Our ultimate short-term goals will be realized when the community collectively embraces this corridor as a part of its identity. We want businesses and residents to actively engage this railroad on a daily basis in order to create a feature unique to Hamilton, Marion, and Tipton counties, which draws tourists from all around the nation.

### Long-Term

The ultimate vision for this corridor is to see it expanded to Union Station to the South and Kokomo to the North. After expansion, new excursion opportunities will be available that could equate to millions of dollars of economic impact to the communities along the corridor. Excursions to Massachusetts Avenue or Lucas Oil Stadium would be a huge draw for anyone along the corridor. Conversely, business and recreational development within Hamilton County will be a draw for residents to the North and South.

Should rail be connected all the way to Kokomo, the ability to commute from Kokomo to Indianapolis in as little as 52 minutes, with additional track upgrades, could be yet another element to this line's future. While we aren't quite in a position to consider transit rail along this corridor, the possibility on the horizon keeps our minds open to this.

The pinnacle of corridor development would culminate in a highly trafficked, multi-method transportation corridor. Businesses will integrate with this authentic element, trails will be developed alongside the rail, and Indiana residents will visit this attraction because of its diverse nature of cultural and community stimulation.

## Community Investment

The primary responsibility of any organization is to be a good steward within its community. HHRR aligns its mission and values with that responsibility. As such, we desire to put community input at the core of our service development and expansion. By frequently collecting visitor feedback and conducting community surveys, we will be able to stay attuned to the desires of our visitors and residents. This will allow us to plan operations which fit well within each community's portfolio of events and attractions.

Knowing that the city leaders of Fishers and Noblesville are interested in a multi-use biking and walking pathway, we see it as essential to invest in the development of this feature along the corridor. It is for this reason that we have invited Richard Vonnegut, one of Indiana's leading trail advocates, to serve on the HHRR Board of Directors. It is our intention to allocate a modest three to five percent of ticket revenues towards corridor development.

There has also been a great emphasis on urban design and development for Millennials. Most importantly, the question of how Millennials will utilize and interact with public transportation has driven the debate behind what the highest and best use is for corridors such as the Nickel Plate. While there are many assertions that it's best use is that of a paved pathway, the HHRR believes this to be a short-sighted view of the future recreation and potential transit needs of this region. City leaders from as far as Colorado have reached out to our organization to emphasize the success that they have seen in their communities by embracing and investing in the improvement of their rail lines.

HHRR would work to integrate various forms of transportation options along the corridor. Two options that are currently being investigated are:

- ***Bike Share Stations*** - The Indiana Pacers Bikeshare program launched in Indianapolis has seen continuous growth and success. With 29 bikeshare stations around Indianapolis, the program has seen much success and was definitely an investment in the community. The HHRR would like to implement bike share stations at designated locations along the rail corridor to provide for flexibility in transit options.
- ***Car Share Stations*** - Another popular Indianapolis feature is the BlueIndy car share program. These small electric cars are parked strategically in multiple locations around Indianapolis for "carless" Millennials and others to have the ability to use a car without the high cost of ownership. By implementing a car share station program along the corridor, additional flexibility is added to a passenger's options beyond where the rails take them.

HHRR would like to invest in Indiana's most flexible recreation and transit corridor by helping to establish a diverse and rich network of transportation options. By investing in a trail and flexible transit options to supplement and extend a passenger's range, we hope to provide lasting value to residents and tourists alike.

## Other Pertinent Information

In order for HHRR to have a healthy and successful operation, it will require open communication and dialogue between HHRR, HHPA, the Owners, and surrounding communities. In order to best achieve this, HHRR has the following requests:

- HHPA provides one non-voting position for an HHRR representative on the HHPA board.
- HHPA adds a "Rail Operator" agenda item to the recurring quarterly meeting agenda.

Due to the unique nature of the relationship between all entities involved in the control and operation of this corridor, transparency and collaboration between all parties is of the utmost importance in establishing long-term viability of this rail corridor and our requests are open to negotiation.

## HHPA Requirements

While some items have been addressed previously in this proposal, HHRR would like to recap our proposal that the HHPA be primarily responsible for the following items:

- Maintenance and improvement of road grade crossings.
- Pursue (or allow the HHRR to pursue) grants for track improvement and upgrade.
- Financial and strategic assistance in establishing a rail connection to NS in Tipton, IN.

We believe that this proposal outlines a strong commitment from the HHRR and that our requests above will help to maintain a healthy balance between our organization and the HHPA.

## Required Lease Term

After evaluating a multitude of track agreements and the goals previously shared in this response, the Hoosier Heritage Railroad believes that a 5 year lease agreement between HHPA and HHRR is vital to its existence. Anything below a 5 year lease agreement does not lend itself to sustainable strategies for a railroad organization and is therefore the minimum term to which we could agree.

That being said, there is a proven track record of success in a 10 year lease agreement and the HHRR's strategies would be further strengthened by a 10 year term.

## Insurance Plan

As a proposed, not-yet-established rail operator, HHRR has not finished collecting all data related to a competitive liability insurance quote. However we have been able to study information pertaining to similar operations in order to know approximately what to expect for these costs.

Using the data collected thus far, we anticipate a policy coverage amount of \$5 Million and an annual premium of approximately \$23,500. This was calculated by looking at insurance premium costs of similar operations as well as a report published by the Rocky Mountain Rail Authority which lists average average liability costs at \$0.013 per passenger mile. By interpolating ridership statistics published by the ITM for previous operating years, we obtained our premium estimate.

A study of insurance companies specializing in railroad liability insurance identified two likely option from which the HHRR would choose.

- HMBD Insurance Services
  - Offer a special insurance package policy specifically for Railroad Museums and Historical Railroads.
- Zurich Insurance
  - Offer a general railroad operations liability policy.

## Lease Consideration

In exchange for heavy initial capital investment on the line and an extensive ongoing maintenance plan, HHRR proposes that track usage rights be provided in consideration for track rehabilitation, improvement and maintenance expenditures. Due to the fact that some maintenance may be completed by internal operations staff, we would also request that the consideration be measure by quantifiers related to level and quality of rail improvement and not direct dollars spent.

## Conclusion

It is the greatest hope of HHRR that we've shown a sustainable vision and plan for the railroad which the review committee can support via an operator bid award to the HHRR. Our group is composed of primarily Indiana native residents who want to invest and give back to their communities through the contributions of operating this railroad.

Thanks for your time and consideration.

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Attachment A

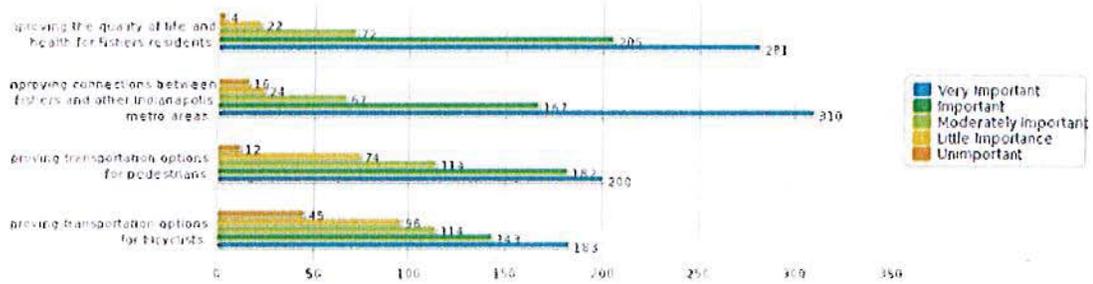
Resumes

ALL RESUMES REDACTED  
PER PROPOSERS REQUEST

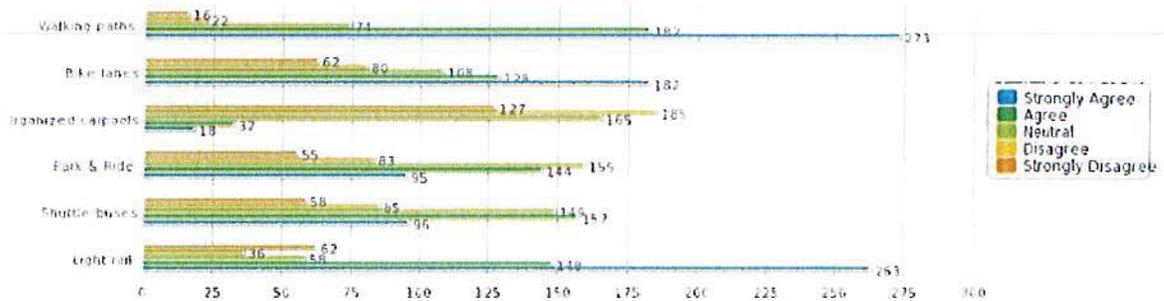
# Attachment B



How important are the following when drafting a transportation plan?



If the following services were more accessible to me, I would use them.



## Attachment C

June 3, 2017

Indiana Transportation Museum  
President & Board of Directors  
825 Park Dr.  
Noblesville, IN 46060

Dear ITM President and Board of Directors:

I, Logan Day, am writing to your organization on behalf of a railroad operator committee that has expressed an interest in submitting a proposal for the HHPA Request for Proposal. It is our belief, after due consideration, that the only viable option to re-establish rail service along the "Nickel Plate" corridor between Indianapolis and Tipton, IN is to utilize equipment that is already on the tracks. The prospect of getting new railroad equipment (locomotives, passenger cars, cabooses, etc...) to (or off of) this line is extremely cost-prohibitive without a current connection to the national rail network.

With that said, our railroad operations committee would like to engage the Indiana Transportation Museum (ITM) to negotiate a possible lease agreement of certain equipment currently located at the yard facility in Forest Park.

Please find the attached equipment list and suggested rates, maintenance agreement framework, and other details regarding a potential lease agreement.

We ask that the Board of Directors review this proposal in consideration of a future equipment lease agreement between ITM and the Hoosier Heritage Railroad. Please notate any areas of concern within the proposal, if any. The goal would be to get a "letter of commitment" from the ITM Board of Directors stating that proposed equipment lease agreement terms would be agreeable and executable by the proposed start date of operation.

Due to the time sensitive nature of this matter, we request prompt acknowledgement of this communication and timely review of the contents contained within.

Thanks for your consideration,

Logan Day  
Project Leader  
Hoosier Heritage Railroad  
(317) 459-0955  
daylj2010@gmail.com

# Hoosier Heritage Railroad

## Proposed List and Terms of Equipment Lease from ITM

Proposed Start of Lease: January 1, 2018

**2 Road Locomotives** - HHRR would like to lease and operate 2 of the 3 operational road locomotives below:

YR	RD NAME	RD#	MAKE MODEL	RATE/MO.	TERM
1.) 1949	MILW (NKP)	83A	EMD F7A	\$1,750.00	2-5 yrs.
2.) 1953	NKP	426	EMD GP7	\$1,750.00	2-5 yrs.
3.) 1955	UP (ITM)	200	EMD GP9	\$1,750.00	2-5 yrs.

**1 Switcher Locomotive** - HHRR would like to lease, restore, and operate 1 of the 2 switcher locomotives below:

YR	RD NAME	RD#	MAKE MODEL	RATE/MO.	TERM
1.) 1945	U.S. Navy (NKP)	9	Diesel Bald.	\$800.00	2-5 yrs.
2.) 1950	Boyne City (NKP)	70	Diesel GE	\$800.00	2-5 yrs.

**Passenger Equipment** - HHRR would like to lease and operate the passenger equipment listed below:

TYPE	RESTORED RATE	AS-IS RATE	TERM
• 6 Budd Coaches	\$1,200/mo.	\$800/mo.	2-5 yrs.
• 2 Open Air Cars	\$800/mo.	\$400/mo.	2-5 yrs.
• Caboose	-	\$500/mo.	2-5 yrs.

**Other Equipment** - HHRR would like to lease and operate the passenger equipment listed below:

TYPE	RESTORED RATE	AS-IS RATE	TERM
• Altoona Bag/Bike Rack	-	\$800/mo.	2-5 yrs.
• Burlington Baggage	-	\$800/mo.	2-5 yrs.

# Additional Information

## Locomotives

**Maintenance** - The suggested terms of maintenance for locomotives is as follows:

TYPE	HHRR (RESPONSIBILITY)	ITM (RESPONSIBILITY)
Preventative	100%	0%
Wear Items	100%	0%
Repairs (<\$5,000)	100%	0%
Repairs (>\$5,000)	75%	25%

\*Repairs are defined as any necessary improvement made as the result of a malfunction, equipment failure, or break-down resulting from any normal operating conditions or circumstances. Any repairs required due to NEGLIGENT behavior are considered the full responsibility of HHRR.

**Storage** - Equipment shall be stored within secure yard facility selected and controlled by HHRR to minimize the threat of vandalism.

**Paint** - HHRR would like the right to paint any leased locomotives using Hoosier Heritage Railroad OR other historic, relevant railroad schemes, logos, etc... HHRR would desire to name and brand 1 locomotive (ex. #200) using Hoosier Heritage Railroad schemes, colors, logos, emblems, etc...

## Passenger & Other Equipment

**Maintenance** - The suggested terms of maintenance for passenger and other equipment is as follows:

TYPE	HHRR (RESPONSIBILITY)	ITM (RESPONSIBILITY)
Preventative	100%	0%
Wear Items	100%	0%
Repairs (<\$5,000)	100%	0%
Repairs (>\$5,000)	75%	25%

\*Repairs are defined as any necessary improvement made as the result of a malfunction, equipment failure, or break-down resulting from any normal operating conditions or circumstances. Any repairs required due to NEGLIGENT behavior are considered the full responsibility of HHRR.

**Storage** - Equipment shall be stored within secure yard facility selected and controlled by HHRR to minimize the threat of vandalism.

**Paint** - HHRR does NOT desire to paint any stainless steel equipment. However, HHRR would like the ability to retouch or repaint passenger equipment in a manner consistent with heritage railroad schemes, logos, emblems, etc...

PAGES 4 & 5 REDACTED  
PER PROPOSERS REQUEST  
(EMAIL FROM ITM)