ORDINANCE NO. 020-113

AN ORDINANCE AUTHORIZING
AN AGREEMENT WITH NORFOLK SOUTHERN RAILWAY COMPANY
FOR PRELIMINARY ENGINEERING SERVICES FOR THE RED LINE EXTENSION (RLE) PROJECT

WHEREAS, The Chicago Transit Authority ("Authority") is advancing the Red Line Extension ("RLE") Project to extend the Red Line from the existing terminal at 95th/Dan Ryan to 130th Street and add four new stations and a rail car storage yard and shop facility; and

WHEREAS, The Authority selected an alignment in January 2018 for the RLE known as the "Preferred Alignment" that requires the use of Norfolk Southern Railway Company ("NSR") property in the Kensington Yard area between approximately 118th Street and 124th Street (vicinity of former Michigan Central Railroad MP D-271), and to the west of the NSR Pullman Branch (vicinity of MP PB4) and northeast of the Metropolitan Water Reclamation District of Greater Chicago (MWRD) Calumet Water Reclamation Plant; and

WHEREAS, The NSR connection to the Conrail Kensington Branch (former Michigan Central Railroad) at 124th Street (operated by Indiana Harbor Belt (IHB)) must remain intact so as to maintain the existing connection to the national freight network; and

WHEREAS, NSR seeks to retain the ability to reconnect the NSR Kensington Branch to the Canadian National Illinois Central Chicago Subdivision; and

WHEREAS, Rail access to an existing customer location (All American Recycling) at Kensington Yard must be preserved; and

WHEREAS, NSR requires that any proposals that others outside NSR make that may affect or be near the NSR right-of-way must be evaluated in advance by NSR; and

WHEREAS, The Authority acknowledges the importance of designing an alignment that does not adversely impact NSR’s current and future rail operations or needs and has agreed to provide Preliminary Engineering documents to NSR for evaluation; and

WHEREAS, NSR has agreed to collaborate with the Authority on the conceptualization and development of the RLE Project and to provide Preliminary Engineering services evaluating the potential impacts of the RLE Project on NSR track and right-of-way; and
WHEREAS, NSR requires the Authority to enter into a standard form Agreement for Preliminary Engineering Services, attached as Exhibit A hereto, that sets forth the scope and costs to conduct the Preliminary Engineering study by NSR and/or its representatives starting January 1, 2021; and

WHEREAS, Under the agreement, the Authority agrees to pay NSR an initial amount up to Fifty-five Thousand Dollars ($55,000.00) for the actual cost of Preliminary Engineering review services by NSR and/or its representatives; and

WHEREAS, The Authority seeks to designate contingency funds in an amount up to Twenty Thousand Dollars ($20,000.00), which shall only be disbursed with the approval of the Authority's Chief Planning Officer, for additional unforeseen work that may be required from NSR; and

WHEREAS, If the RLE Project is approved by NSR, NSR and the Authority will enter into a project reimbursement agreement (PA); and

WHEREAS, Notwithstanding the estimated cost of services, with this Preliminary Engineering services agreement the Authority agrees to reimburse NSR for the actual cost of Preliminary Engineering necessary in connection with the RLE Project, but staff will seek a separate Board approval before exceeding the $75,000 maximum total amount authorized by this ordinance; and

WHEREAS, It is in the best interest of the Authority to enter into the agreement with NSR; now, therefore:

BE IT ORDAINED BY THE CHICAGO TRANSIT BOARD
OF THE CHICAGO TRANSIT AUTHORITY:

SECTION 1. The Vice Chair of the Chicago Transit Board, or her designee, is hereby authorized, pursuant to Section 7 of the Chicago Transit Authority Bylaws, Rules and Regulations and Rules of Order due to the absence of a Board Chair, to enter into an agreement with Norfolk Southern Railway Company for Preliminary Engineering services for the Red Line Extension Project which requires the Authority to compensate NSR in an amount up to Fifty-five Thousand Dollars ($55,000.00) and contains such other terms as are substantially in conformance with the Agreement for Preliminary Engineering Services attached as Exhibit A hereto.
SECTION 2. The Board further authorizes an additional contingency in an amount up to Twenty Thousand Dollars ($20,000.00) for additional reimbursements to Norfolk Southern Railway Company for actual services provided, subject to the approval of the Chief Planning Officer.

SECTION 3. The Vice Chair, or her designee, is further authorized to take such actions and execute such documents as may be necessary to implement the objectives of this ordinance.

SECTION 4. This ordinance shall be in full force and effect from and after its passage.

APPROVED: 
Vice Chair 
November 18, 2020

PASSED: 
Assistant Secretary 
November 18, 2020