



**Regional  
Transportation  
Authority**

## Capital Program Report Fourth Quarter 2006

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# Capital Program Report

Fourth Quarter 2006

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## Introduction and Definitions

As required by the *RTA Act*, each year, after public hearings, the RTA must adopt a five-year capital program that describes, by year, the nature, location and cost of all capital projects. Subsequent amendments to the capital program may occur due to funding shifts and Service Board priority changes. The *Capital Program Report* describes the status and actions of *Previous Programs* and the current *Annual Program* (2006 for this report). Definitions associated with Program activities are described below.

### Grant Awards

The Service Boards receive grants from funding agencies, primarily the RTA, the Illinois Department of Transportation (IDOT) and the Federal Transit Administration (FTA). These grant awards are for projects included in the RTA's *Annual Program*. The RTA issues grant agreements (or awards) to the Service Boards based on their applications that reflect their approved capital program and marks. The capital marks reflect funds available to the Service Boards. Grant awards also include projects funded with monies such as bond proceeds or operating surpluses provided through the Service Boards' adopted budgets.

### Obligations

In contrast to operating funds, which are used to provide mass transit services, the Service Boards use capital funds to repair, replace, and enhance their capital assets. The Service Boards *obligate* capital funds when they sign a contract with a third party (such as a vendor, consultant or contractor) or when they reserve the funds to pay the Service Boards' own labor to perform the work.

### Expenditures

The Service Boards expend funds when they incur costs for the work completed by a third party (such as a vendor, consultant or contractor) or by the Service Boards' own labor.

### Annual Program

The RTA five-year capital program is comprised of two elements: *Annual Program* that represents the current fiscal year, and an out-year program that represents future programming years.

### Previous Programs

This section contains a collection of all previous *Annual Programs* as adopted yearly by the RTA Board. Please note that in this report the *Previous Programs* exclude completed and closed grants. Therefore, the total amount may be less than the originally approved amount per any given *Annual Capital Program*.

# Capital Program Report

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## Introduction and Definitions (continued)

### SCIP bonds

The *Illinois FIRST* legislation of 1999 was directed towards improving the state's infrastructure. As part of the state's *Illinois FIRST* Program, the RTA's authorization to issue Strategic Capital Improvement Program (SCIP) bonds was increased by \$1.3 billion to \$1.8 billion. This authorization became effective in \$260 million increments each January 1, starting with 2000. The State of Illinois pays the RTA an amount equal to the debt service on these bonds. The Governor must approve a SCIP Plan prior to the use of SCIP bond proceeds to pay for any project in the Plan.

In 2006, an amendment to the *RTA Act* clarified that the SCIP program includes all of the "net available proceeds" from the SCIP bonds. The proposed ordinance amends the Capital Improvement Plan to add \$113.3 million in project funding, bringing the total project funding from the additional bonds to \$1,413.3 million.

In the *Capital Program Report*, SCIP bonds refer to the additional \$1,413.3 million in SCIP bonds authorized by *Illinois FIRST*.

### Un-obligated

The *Un-obligated* amount is the grant award total less the obligated amount.

### Federal Un-obligated Balance

The *Federal Un-obligated Balance* is the un-obligated funding for all projects financed with federal and matching local grants. The *RTA Act* requires that the *Federal Un-obligated Balance* for the region must be below \$350 million to allow the RTA to submit SCIP projects to the Governor for approval. The *RTA Act* does allow the Governor to waive this requirement.

### Un-expended

The *Un-expended* amount is the grant award total less the expended amount.

# Capital Program Report

## Fourth Quarter 2006

(In millions of dollars)

### Capital Program Activity

Once the capital program is adopted by the RTA Board, the Service Boards can apply for grants from various funding agencies, such as the Federal Transit Administration (FTA), Illinois Department of Transportation (IDOT) and the RTA. As a reminder, the State Fiscal Year (SFY) starts on July 1st, or six months prior to the RTA's calendar year, and the Federal Fiscal Year (FFY) starts on October 1st, or three months prior to the RTA's calendar year. Under normal circumstances, all funds (RTA, FTA, and IDOT) would be available on January 1st to issue grants to the Service Boards. However, in the last few years due to Congressional delays, the allocation of federal funds was delayed until after the beginning of the calendar year (January-March). The table below summarizes the last two years of capital program grant award activities versus the adopted capital program (new awards only).

	<u>2005 Annual Program</u>	<u>Grant Awards thru 12/31/06</u>
CTA	\$611.0	\$611.0
Metra	187.3	187.3
Pace	14.0	14.0
<b>All Service Boards</b>	<b>\$812.3</b>	<b>\$812.3</b>

	<u>2006 Annual Program</u>	<u>Grant Awards thru 12/31/06</u>
CTA	\$302.6	\$282.3
Metra	197.6	190.0
Pace	21.3	10.9
<b>All Service Boards</b>	<b>\$521.5</b>	<b>\$483.2</b>

As summarized in the table above, all of the funding for the 2005 Annual Capital Program has been awarded or otherwise available to the Service Boards.

Through the end of the year, the 2006 capital grants issued to the Service Boards represent 93 percent of the 2006 Capital Program Annual Awards. The Service Boards have been awarded all of their formula 2006 grants from the Federal Transit Administration. Only Pace has not been awarded their 2006 SCIP grant of \$8.9 million. The Governor approved the 2006 SCIP Plan on September 13, 2006. The remaining un-awarded funds are primarily from federal flexible discretionary funds sources such as CMAQ and STP programs.

# Capital Program Report

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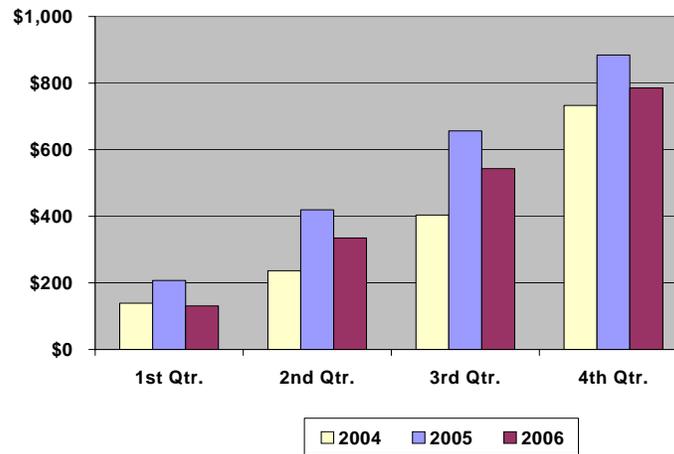
(In millions of dollars)

### Regional Obligations

	Un-obligated as of 12/31/05	January-December Grant Awards	January-December Obligations	Un-obligated as of 12/31/06
2006 Capital Program	N/A	\$483.1	\$218.5	\$264.6
Previous Programs	716.9	315.9	566.8	466.0
<b>Total</b>	<b>\$716.9*</b>	<b>\$799.0</b>	<b>\$785.3</b>	<b>\$730.6</b>

\*Total un-obligated amount excludes grants closed by the Service Boards through December 31, 2006. Obligated amounts reflect the actual obligations for grants awarded to date plus amounts equal to contract obligations under the CTA's advance contract authority for the Brown Line Capacity Expansion project.

### Cumulative Regional Obligations by Quarter



The obligations for the fourth quarter of 2006 for the Service Boards totaled \$242.3 million of the \$785.3 million obligated through the end of the year.

# Capital Program Report

## Fourth Quarter 2006

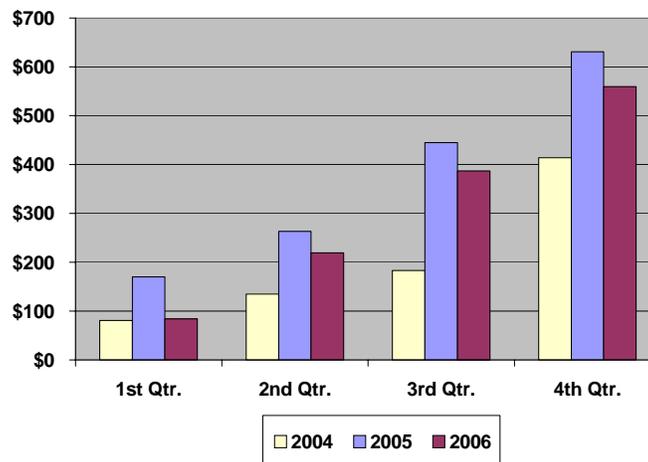
(In millions of dollars)

### CTA Obligations

	Un-obligated as of 12/31/05	January-December Grant Awards	January-December Obligations	Un-obligated as of 12/31/06
2006 Capital Program	N/A	\$282.3	\$ 102.0	\$180.3
Previous Programs	477.9	296.4	457.5	316.8
<b>Total</b>	<b>\$477.9*</b>	<b>\$578.7</b>	<b>\$559.5</b>	<b>\$497.1</b>

\*Total un-obligated amount excludes grants closed through December 31, 2006. Obligated amounts reflect only the actual obligations for grants awarded to date plus amounts equal to contract obligations under the CTA's advance contract authority for the Brown Line Capacity Expansion project.

### CTA Cumulative Obligations by Quarter



The fourth quarter of 2006 obligations for the CTA totaled \$172.8 million of the \$559.5 million obligated for all of 2006. This includes \$62 million for the upgrade of the Blue Line signal and power distribution systems, \$38.4 million for the purchase of buses, \$28 million for the capacity expansion of the Brown Line, and \$32.1 million for the purchase of rapid transit cars.

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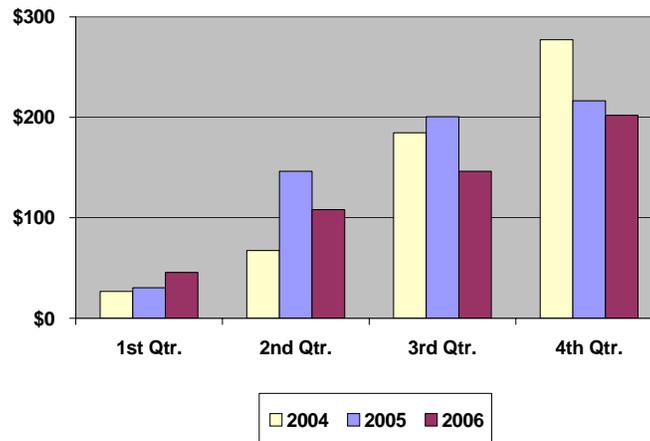
(In millions of dollars)

### Metra Obligations

	Un-obligated as of 12/31/05	January-December Grant Awards	January-December Obligations	Un-obligated as of 12/31/06
2006 Program	N/A	\$190.0	\$115.7	\$74.3
Previous Programs	171.2	19.5	86.3	104.4
<b>Total</b>	<b>\$171.2*</b>	<b>\$209.5</b>	<b>\$202.0</b>	<b>\$178.7</b>

\*Total un-obligated amount excludes closed grants through December 31, 2006.

### Metra Cumulative Obligations by Quarter



Metra's fourth quarter of 2006 obligations totaled \$55.6 million of the \$202 million in obligations for the year. This includes \$15.1 million for the replacement of ties and ballast on the Rock Island District, Electric District and Milwaukee District lines, \$6.5 million for the reconstruction of the Windsor Park and Cheltenham stations on the South Chicago Branch of the Metra Electric District, \$5.4 million for the construction of a commuter parking deck at the Geneva Station on the Union Pacific West Line and \$3 million for the installation of the passenger information display system.

The higher level of obligations in 2004 reflected contract awards for Metra's three new Start projects.

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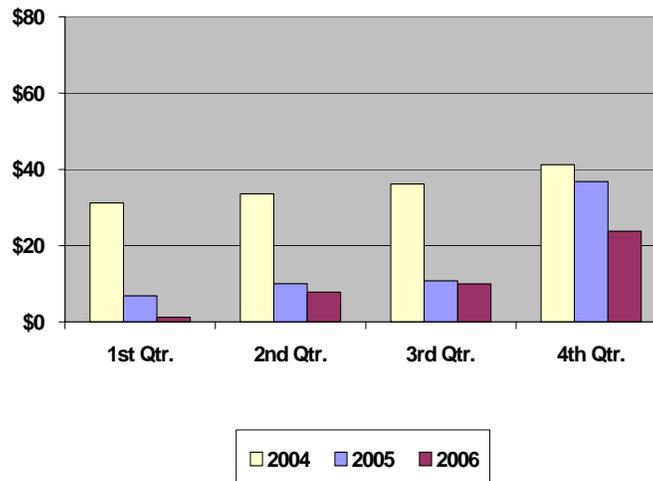
(In millions of dollars)

### Pace Obligations

	Un-obligated as of 12/31/05	January-December Grant Awards	January-December Obligations	Un-obligated as of 12/31/06
2006 Program	N/A	\$ 10.9	\$0.8	\$10.1
Previous Programs	67.8	0.0	23.0	44.8
<b>Total</b>	<b>\$67.8*</b>	<b>\$10.9</b>	<b>\$23.8</b>	<b>\$54.9</b>

\*Total un-obligated amount excludes closed grants through December 31, 2006.

### Pace Cumulative Obligations by Quarter



Pace obligated \$13.8 million in the fourth quarter of the \$23.8 million obligated for the year. This includes \$7.6 million for the purchase of fixed route buses, \$3.1 million for the purchase of computer software and \$2 million for the purchase of the Enterprise Resource Planning System.

The large obligation in the first quarter of 2004 was associated with the purchase of 243 fixed route buses and 190 vans for the vanpool, and the large obligation in the fourth quarter of 2005 was associated with the purchase of 96 fixed route buses. The decline in Pace obligations reflects the reduction in the capital program size due to the diversion of funds to operations.

Pace anticipates further reducing their un-obligated balance during the first half of 2007. Pace went out for bids for the construction of their new headquarters building on March 23, 2007 and expects to award a contract for this construction in the spring.

# Capital Program Report

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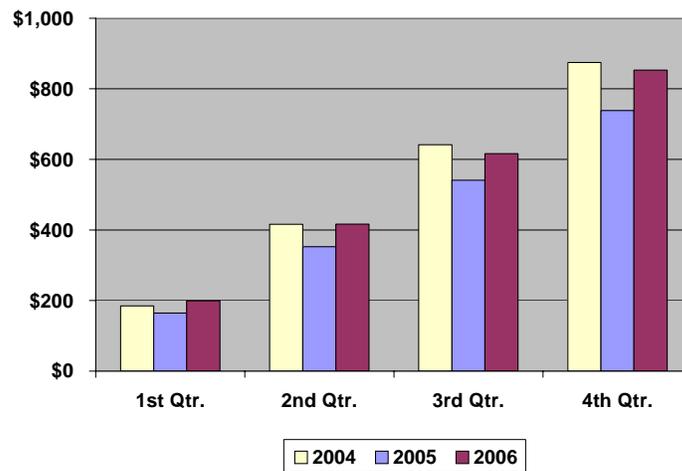
(In millions of dollars)

### Regional Expenditures

	Un-expended as of 12/31/05	January-December Grant Awards	January-December Expenditures	Un-expended as of 12/31/06
2006 Program	N/A	\$483.1	\$96.4	\$386.7
Previous Programs	1,636.8	292.6	756.8	1,172.6
<b>Total</b>	<b>\$1,636.8*</b>	<b>\$775.7</b>	<b>\$853.2</b>	<b>\$1,559.3</b>

\*Total un-expended amount excludes closed grants for the Service Boards through December 31, 2006.

### Cumulative Regional Expenditures by Quarter



Expenditures in the fourth quarter of 2006 were \$236.9 million of the \$853.2 million expended by the Service Boards in 2006.

# Capital Program Report

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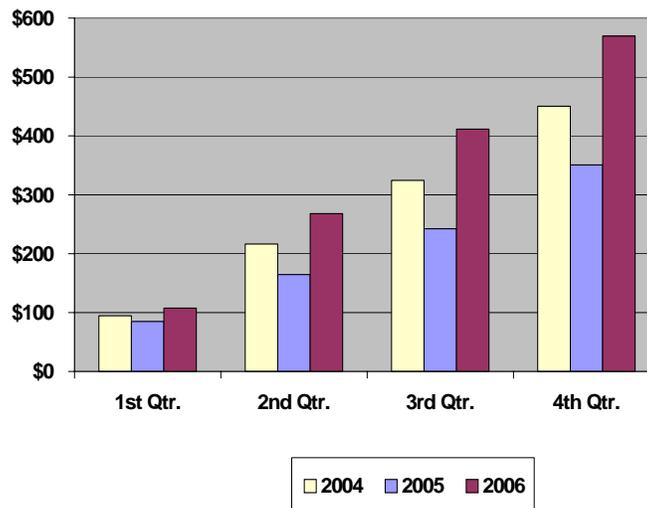
(In millions of dollars)

### CTA Expenditures

	Un-expended as of 12/31/05	January-December Grant Awards	January-December Expenditures	Un-expended as of 12/31/06
2006 Program	N/A	\$282.3	\$56.2	\$226.1
Previous Programs	1,098.4	273.0	513.3	858.1
<b>Total</b>	<b>\$1,098.4*</b>	<b>\$555.3</b>	<b>\$569.5</b>	<b>\$1,084.2</b>

\*Total un-expended amount excludes closed grants through December 31, 2006.

### CTA Cumulative Expenditures by Quarter



The fourth quarter of 2006 expenditures for the CTA totaled \$158.1 million of the \$569.5 million expended in 2006. This includes \$36.3 million to purchase buses, \$17.8 million to expand the capacity of the Brown Line and rehabilitate Clark Junction, and \$18.5 million to construct the Washington Intermodal Station. It also included \$16.2 million for the purchase of rapid transit cars, \$10.1 million to repair track and structure and \$8.2 million to rehabilitate the Blue Line signal and power distribution systems.

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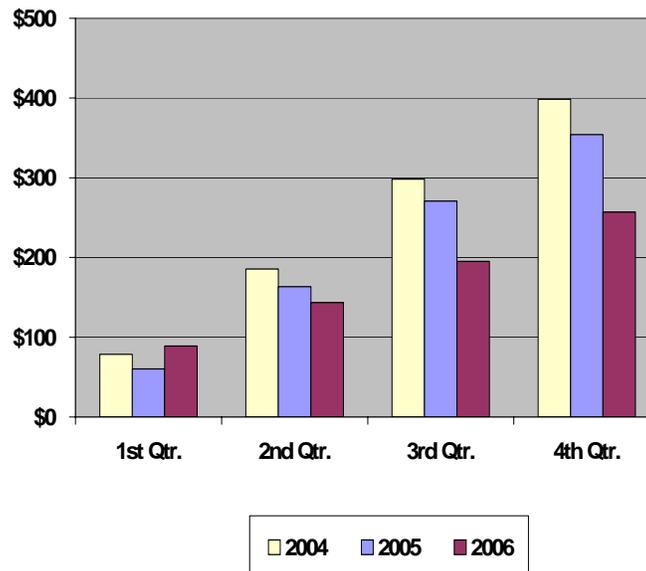
(In millions of dollars)

### Metra Expenditures

	Un-expended as of 12/31/05	January-December Grant Awards	January-December Expenditures	Un-expended as of 12/31/06
2006 Program	N/A	\$190.0	\$ 39.4	\$150.6
Previous Programs	426.9	19.5	217.4	229.0
<b>Total</b>	<b>\$426.9*</b>	<b>\$209.5</b>	<b>\$256.8</b>	<b>\$379.6</b>

\*Total un-expended amount excludes closed grants through December 31, 2006.

### Metra Cumulative Expenditures by Quarter



The fourth quarter of 2006 expenditures for Metra were \$61.6 million of the \$256.8 million expended for all of 2006. This includes \$10.1 million for the extension and upgrade of the Southwest Service, \$7.2 million for the upgrade of the North Central Service, \$2.7 million for the extension of the Union Pacific West Line and \$2.7 million to replace bridges on the Rock Island District.

The higher expenditures in 2004 and 2005 as compared with 2006 were due to Metra's purchase of 300 bi-level commuter cars and the construction for their three New Start projects. Metra received the last of the 300 bi-level commuter cars in October 2005 and began revenue service on the New Starts in January 2006.

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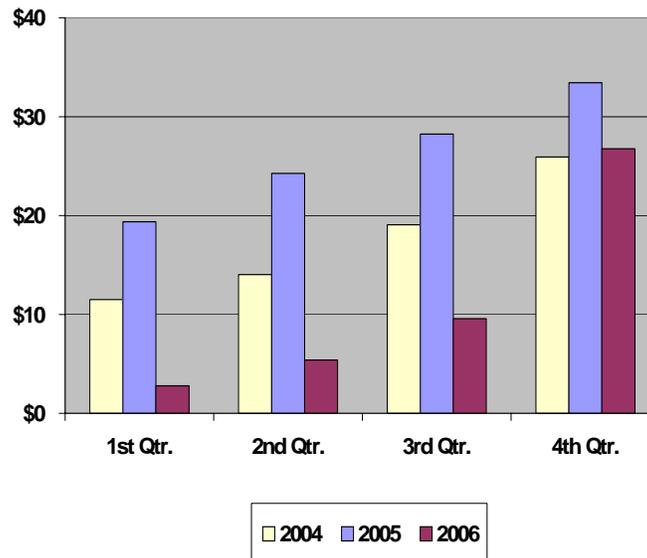
(In millions of dollars)

### Pace Expenditures

	Un-expended as of 12/31/05	January-December Grant Awards	January-December Expenditures	Un-expended as of 12/31/06
2006 Program	N/A	\$10.9	\$0.8	\$10.1
Previous Programs	111.5	0.0	26.0	85.5
<b>Total Funds</b>	<b>\$111.5*</b>	<b>\$10.9</b>	<b>\$26.8</b>	<b>\$95.6</b>

\*Total un-expended amount excludes closed grants through December 31, 2006.

### Pace Cumulative Expenditures by Quarter



The fourth quarter of 2006 expenditures for Pace were \$17.2 million of the \$26.8 million expended for the entire year. This includes \$11.6 million for the purchase of fixed route buses, \$3 million for the purchase of vans for the vanpool and \$1 million for the purchase of the Enterprise Resource Planning System (see page 15 for additional information).

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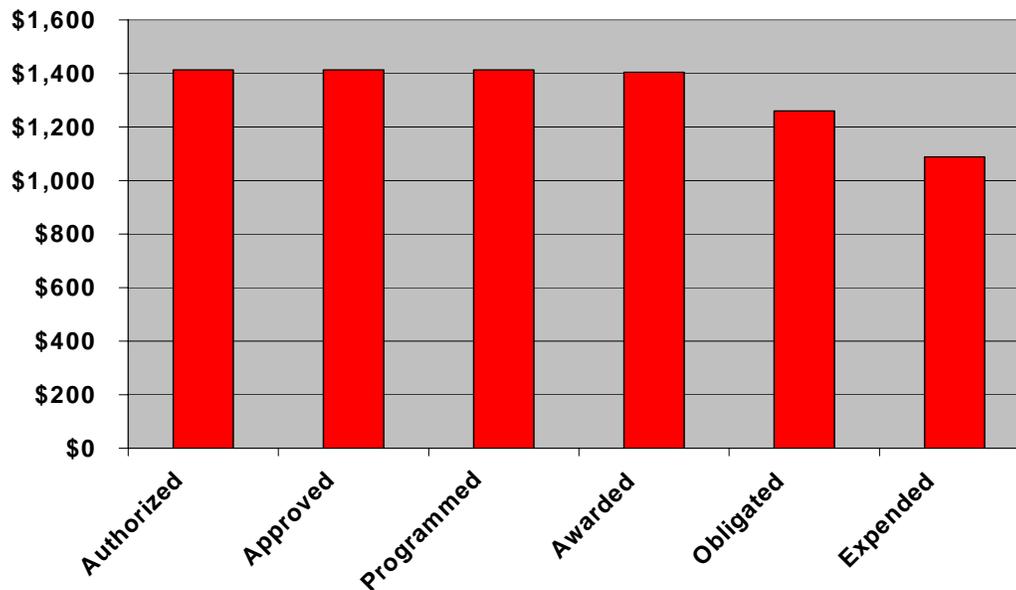
(In millions of dollars)

### Strategic Capital Improvement Program (SCIP) Status

#### Regional

<u>Year</u>	<u>Authorized</u>	<u>Approved</u>	<u>Programmed</u>	<u>Awarded</u>	<u>Obligated</u>	<u>Expended*</u>
2000	\$260.0	\$260.0	\$260.0	\$260.0	\$258.7	\$253.3
2001	260.0	260.0	260.0	260.0	259.1	249.5
2002	260.0	260.0	260.0	260.0	236.9	221.8
2003	260.0	260.0	260.0	260.0	227.8	188.3
2004	260.0	260.0	260.0	260.0	208.7	152.0
2006	113.3	113.3	113.3	104.4	68.8	23.7
<b>Total</b>	<b>\$1,413.3</b>	<b>\$1,413.3</b>	<b>\$1,413.3</b>	<b>\$1,404.4</b>	<b>\$1,260.0</b>	<b>\$1,088.6</b>

\*Projects remain identified with a specific bond issue for reporting purposes only. Actual payments use the earliest bond proceeds available.



In 2006, an amendment to the RTA Act clarified that the SCIP Plan can include projects that do not exceed “the proceeds of” SCIP Bonds. This permitted the RTA to program an additional \$113.3 million of SCIP projects bring the SCIP approved budget to \$1,413.3 million. By the end of the year, 2006 SCIP grants were awarded to the CTA and Metra. Approximately 90 percent of the SCIP approved budget has been obligated by the Service Boards, and 78 percent of the SCIP approved budget has been expended.

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### Project Highlights

#### CTA

##### Expand Capacity for the Brown Line

During the fourth quarter 2006, the CTA awarded a contract to FHP Tectonics Corporation (FHP) for the reconstruction of the Paulina, Wellington, Southport and Diversey stations on the Brown Line. The CTA has now awarded contracts for all of the stations that will be reconstructed as a part of the Brown Line capacity expansion project.

During this quarter, FHP completed platform and canopy foundations and installed the new station house floor at the Kimball Station. FHP also installed new platform light fixtures and platform deck supports at the Francisco Station.

The CTA opened temporary station houses at the Fullerton and Belmont stations. At the Fullerton Station, FHP neared completion of the construction of the new Track 4 structure. FHP installed the concrete track deck and rail for the new track. At the Belmont Station, FHP installed caissons and began construction of the concrete columns for the new Track 4 at this Station.

At the Armitage Station, FHP began foundation work and the installation of the new platform structure at the south end of the Station. FHP also installed steel for the platform extensions at the south end of the Chicago Station and the east end of the Sedgwick Station.

On December 2, 2006, the CTA temporarily closed the Addison and Montrose stations for reconstruction.

##### Upgrade Blue Line Signal and Traction Power Distribution Systems

The CTA is upgrading and replacing the signal and traction power distribution systems on the Blue Line between the Des Plaines Station on the Congress Branch and the Jefferson Park Station on the O'Hare Branch including the Dearborn Subway.

During the fourth quarter, Aldridge Mass, Joint Venture, (AM), the contractor for the work, installed the first new relay house at the Lathrop crossover on the Congress Branch just east of the Forest Park terminal. In addition, AM poured concrete floors for the Chestnut Relay House in the Dearborn Subway and for the Belmont Relay House, installed foundations for communication houses and pulled signal and traction power cable. AM continued the design for the block signal system.

##### Purchase 650 Low-Floor Buses

In the fourth quarter, the CTA approved an option in their contract with New Flyer of America for the delivery of an additional 200 low-floor buses. This brings the total number of buses that will be delivered to 650.

During this quarter, New Flyer delivered 112 low-floor buses. The CTA has now received 341 of these new buses. The CTA also received 18 30-foot buses from Optima Bus for a total of 24 and the first six of 20 hybrid buses from New Flyer. The hybrid buses are powered by a diesel engine and an electric motor for improved fuel efficiency and greatly reduced emissions.

##### Construct Washington Intermodal Station

The CTA is building connecting tunnels and tracks to link the Red Line and Blue Line subways and connect these lines to a new rapid transit station planned at 108 North State Street in the Chicago Loop

# Capital Program Report

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### CTA (cont.)

which is also known as Block 37. During the quarter, the CTA continued the design for tunnels and track. Kiewit Reyes, Joint Venture, (KR), the contractor for the project, began pre-excavation activities. This project will provide a large-capacity downtown intermodal station serving CTA customers, visitors and travelers using O'Hare and Midway airports.

#### Purchase 406 Rapid Transit Cars

Earlier this year, the CTA awarded a contract to Bombardier Transit Corporation to purchase 406 rapid transit cars. The contract has options that will permit the CTA to purchase an additional 300 rapid transit cars for a total of 706 cars. The new cars will have energy efficient alternating current motors, aisle-facing seating and an active vehicle suspension system to raise or lower the car floor height at station platforms.

The CTA anticipates the deliver of the prototype cars for testing in early 2009. The CTA is currently in the preliminary design review phase of the project.

### Metra

#### Expand and Upgrade North Central Service

During the fourth quarter, Metra completed the station house and bridge for the new Cicero/Grand Station on the Milwaukee Road West Line. Metra opened this station for revenue service on December 11, 2006. Metra installed structural concrete, trusses, sheeting and roofing for the expansion of the Buffalo Grove Station on the North Central Service. Metra also completed the station interior build out. Metra reopened the expanded station on February 5, 2007. Overall, the project is 99 percent complete at the end of December.

#### Extend and Upgrade Southwest Service

By the end of 2006, Metra had nearly completed all construction for the Southwest Service extension and upgrade. Metra completed the new Laraway Road Station and opened it for service on October 9, 2006. Metra also nearly completed the parking improvements at the 153<sup>rd</sup> Street Station and the new station and parking at 143<sup>rd</sup> Street both in Orland Park. By the end of the fourth quarter, Metra was 98 percent complete with construction for this project.

#### Extend Union Pacific West Line Service

By the end of the fourth quarter, Metra completed construction of the station house and parking for the Elburn Station. The station house opened for service on October 11, 2006. Metra also finished the station improvements at the Geneva Station. Metra completed 99 percent of the construction for the extension of the Union Pacific West Line.

#### Reconstruct Six Stations on the South Chicago Branch of the Metra Electric District

Metra awarded a contract to John Burns Construction Co. to reconstruct the Windsor Park Station at 75<sup>th</sup> Street and Cheltenham Station at 79<sup>th</sup> Street on the South Chicago Branch of the Metra Electric District. These stations have become severely deteriorated and will be rehabilitated in compliance with the *Americans with Disabilities Act*. Metra previously completed the reconstruction of the stations at 83<sup>rd</sup> and 87<sup>th</sup> streets in 2004 and the Stony Island and Bryn Mawr stations in 2006. Metra expects to complete the rehabilitation of the last two stations by the end of 2008.

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### Metra (cont.)

#### Construct Parking Deck at Geneva Station on Union Pacific West Line

During the quarter, Metra entered into an agreement with the City of Geneva to provide a portion of the funding for the construction of a commuter parking deck serving the Geneva Station on the Union Pacific West Line. As a part of the agreement, Metra will acquire the long-term use of a portion of the parking spaces in the parking deck for commuters. The City of Geneva is managing the design and construction of the parking deck.

#### Install Ties and Ballast

Metra is replacing ties and ballast to maintain proper track gauge and surface on the Rock Island District, Milwaukee District and Metra Electric District lines. Surfacing allows higher operating speeds, a smoother and quieter ride and reduced maintenance expenses.

#### Renew 24 Bridges between 18th and 60th Streets – Rock Island District

Metra is replacing 24 bridges between 18<sup>th</sup> and 60<sup>th</sup> streets on the Rock Island District in the City of Chicago. This work includes replacing the deck, spans and substructure for each bridge, raising the embankment to increase the clearance over roadways and installing new track and signal systems between 18<sup>th</sup> and 60<sup>th</sup> streets. Walsh Construction Company, the contractor for the bridge replacement, previously completed all the work for the bridges. During this quarter, Metra continued installing new signal equipment and track work.

### Pace

#### Purchase 222 Fixed Route Buses

During the fourth quarter, Pace executed a change order to increase the approved funding for their contract with El Dorado National to purchase an additional 26 buses for a total of 128 buses. Pace also awarded a contract to Vehicle Technical Consultant for inspection services for these additional buses. El Dorado National delivered the first 57 buses to Pace this quarter. The buses are fully accessible and equipped with Pace's Intelligent Bus System. They will replace buses purchased between 1993 and 1997 that have reached the end of their useful lives.

#### Purchase Enterprise Resource Planning System

Pace was notified in 2005 that Hewlett Packard would no longer support their HPe3000 computer system. Since most of Pace's core business applications and data reside on an HPe3000 system, Pace is in the process of replacing this system. During the quarter, Pace awarded a contract to Booz Allen Hamilton for the implementation of the Oracle e-Business Suite and the purchase of hardware for the new computer system. Pace also purchased software for their finance, procurement, asset management, customer relations and human resources functions from Oracle USA.

#### Purchase Vans for the Vanpool Program

During the fourth quarter of 2006, Pace took delivery of 17 vans from GE Fleet Services. Pace has received a total of 546 vans under this contract.

#### Purchase Computer Hardware and Software Systems

Pace awarded a contract to the Trapeze Software Group for the purchase of a scheduling and dispatching system for their expanded ADA paratransit service. The implementation of the Trapeze system allows Pace to work toward a more coordinated and efficient method of scheduling and dispatching for ADA paratransit services throughout the RTA region.