Capital Budget Overview

2020-2024 CAPITAL IMPROVEMENT PROGRAM (CIP)

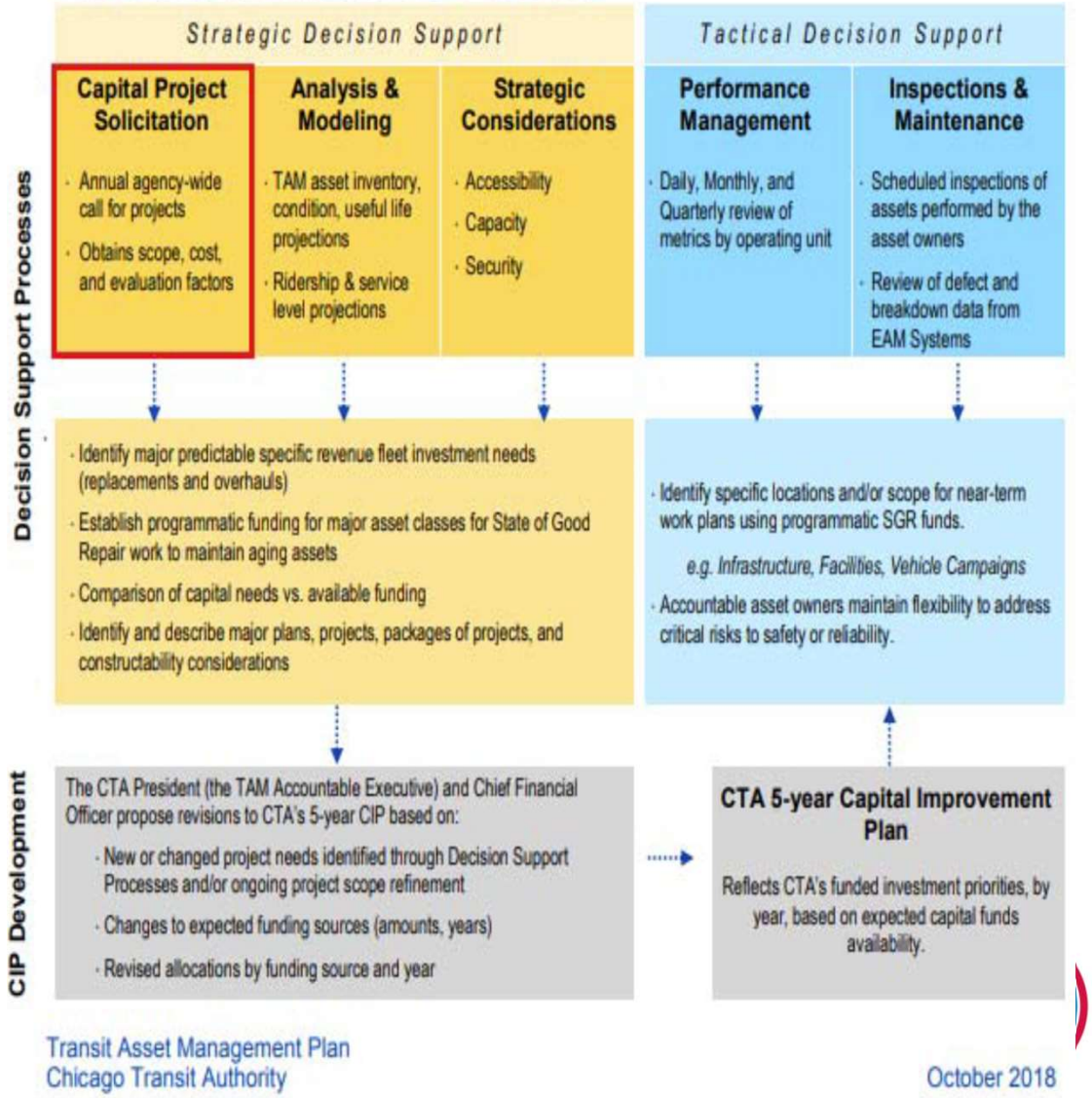
The $5.1 billion five-year capital budget for 2020-2024 funds rehabilitating rail stations and building new ones, modernizing rail and bus fleets, removing rail slow zones and new technology.

The State of Illinois $45B "Build Illinois" bill passed in June 2019 provides critical capital funding after no state capital bill 2009.

CTA Annual Capital Project Solicitation

- Capital Finance department conducts an annual solicitation process to request project proposals from departments.
- The solicitation is conducted and compiled using a database and standard forms.
- Capital requests are submitted using a Request Form, Evaluation Rubric and a State of Good Repair Questionnaire.
- The evaluation rubric reflects the factors identified in CTA's TAM Policy Statement.
- The SOGR questionnaire is used to collect TAM-Specific information, such as an evaluation of age/condition against useful life benchmark, and whether the proposed project impacts accessibility or identifiable safety risks.
- CTA deploys several processes and tools to ensure that key decision-makers have meaningful information to guide when and where to invest scarce capital funding. These information and process flows are illustrated in the following figure:

Figure 5: Capital Investment Decision Process Overview



2020-2024 Capital Improvement Program

Total Invested Funds $5.14B

Federal
$2.17B

Competitive
Not Flexible
Grant Specific

Formula
Flexible

State
$1.94B

State Bond
Not Flexible

Motor Fuel Tax
Pay-GO
Flexible

RTA
($144.0M)

Due to the increase in state capital funding, RTA bonds are not contemplated at this time for the 2020 Capital Improvement Program.

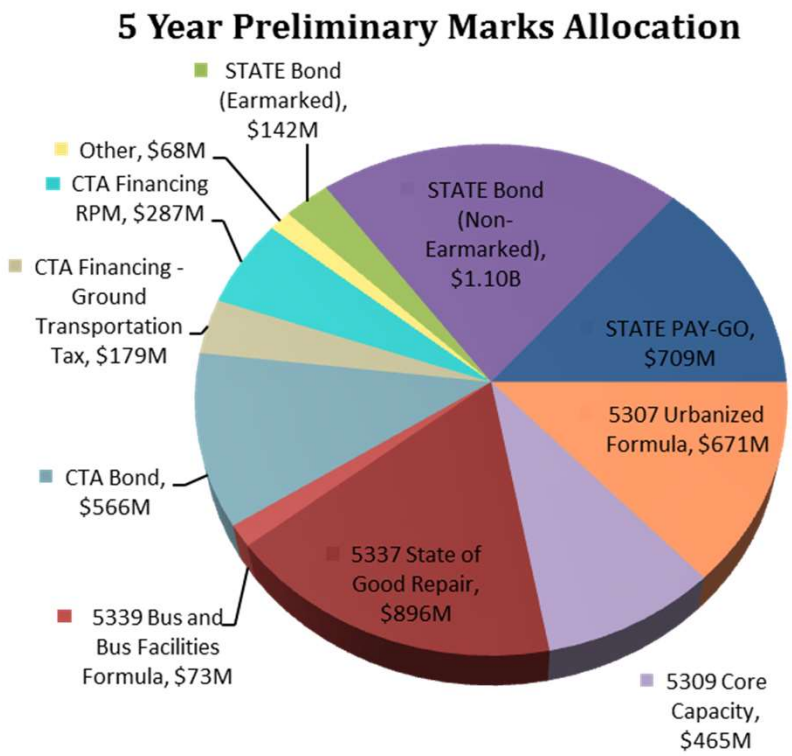
Should the RTA issue bonds on behalf of the service boards after 2022, CTA expects to receive its 50% historical share of the proceeds of that issuance.

Service Board
$1.03B

CTA Bond
Flexible
Proposed bonds:
RPM $287M
RLE $310M
GTT $179M
Other $256M

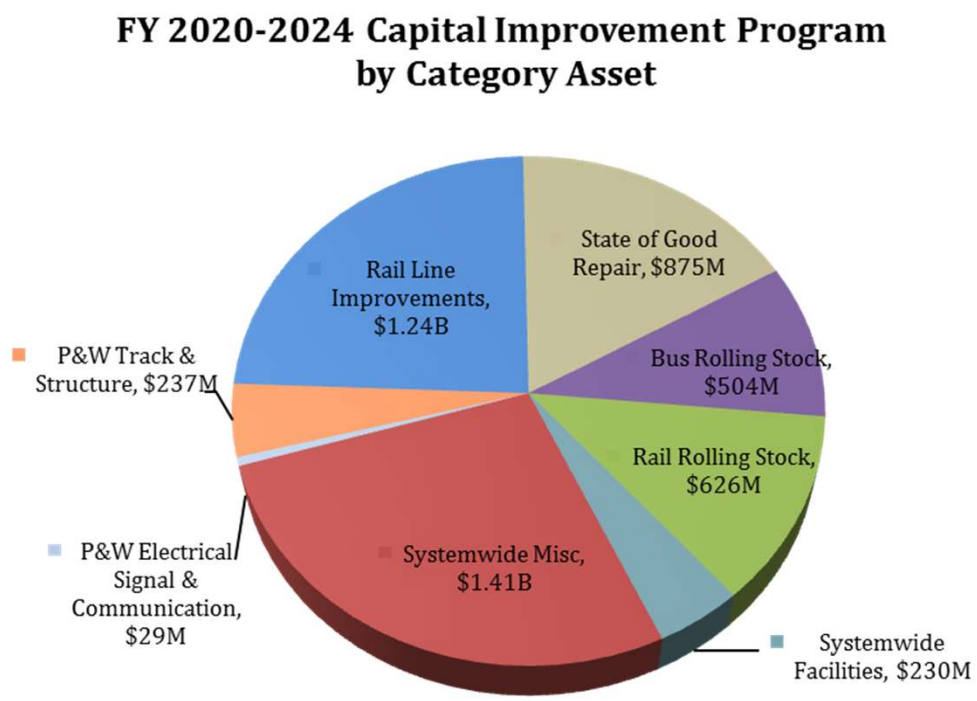
2020-2024 Capital Improvement Program

Sources



* Other consist of: Transit Security Grant $30M, CMAQ RPM $25M, CMAQ TSP $8.9M 5303 UWP $2.1M, Illinois Long Range Transportation Plan $1.4M, and CTA Share of Competitive Grants $0.9M

Uses



**Major investments are to be made for the following: $1.6B Revenue fleet, $1.6B Rail line improvements; $390.0M Right of Way; $230.0M Facilities and $1.09B to meet financial obligations.

Total CIP Budget $5.1 billion

State Capital Program "Rebuild Illinois"

Historical Capital Bond

- Prior capital bill provided funding from 2009-2014
- CTA historically received $200-250M/year

New 5-year Capital Bond Program

- **$2.235B** total Provides capital funding to the three service boards
  - Provides bond funding similar to historical levels
- **$141.5M** total: Provides direct allocations for 3 CTA projects
  - Cottage Grove (Green Line) station $60M
  - Traction power (Blue Line – O'Hare Branch) $50M
  - Station improvements (Blue Line – O'Hare Branch)$31.5M

New Recurring Annual Revenue

- **$227M** annually provides a new, recurring revenue stream (aka pay-go) to be distributed among the three service boards
- 1st time ever the State of Illinois has provided recurring revenue for capital
- Revenue stream available into perpetuity

Sources funding the New State program includes the 2019 increase to the motor fuel tax, vehicle registration related fees and other revenue transfers for transportation

State Capital Program "Rebuild Illinois"

New State Funding $1.94B

Motor Fuel Tax Pay-GO $709.4M

Recurring Costs $141.9M

- Capital Maintenance Costs:
  - $22M Bus
  - $19M Rail
  - $12M Facilities
  - $24M Infrastructure
- Existing **Fare Equipment $15M** System
- **Debt Service $50M** on existing bonds - issued for critical needs during 5 year period of no State program. (Rolling Stock, RPM, Infrastructure & Facility

State Bond $1.23B

Replace RTA Bond funding **$144M**

Funds Projects such as:

- Bus Purchase
- RC Overhaul (5000's)
- YNB
- Diesel Locomotives
- Non-Revenue (61st Rail Shop)
- Facilities SOGR (Yards & Critical Needs)

All Stations Accessibility Program (ASAP) **$78M** [Phase I][1]

- **Austin Green Line Station** - New elevator, entrance reconfiguration, and station upgrades.
- **California Blue Line Station** - Platform, new emergency exit stairs and two new elevators.
- **Montrose Blue Line Station** - Two new elevators
- **Elevator Program** - Rehabilitating/replacing elevators over a five year period.

Remaining State Bond **$875M**

Address Projects such as:

- Purchase 7000 Series Rail Cars Opt. (156)
- Overhaul 5000 Series Rail Cars (714)
- Purchase Buses (600)
- Non-Revenue Vehicle Shop
- Forest Park Phase One Modernization --Track and Power
- Blue Ln. -- Harlem Bus Bridge
- Green Ln. Improvements --Track and Stations
- Rail Yards Modernization

(1) $78M investment provides in part for the funding need of $140M to complete the scope of work for the listed stations and the elevator program. In addition, $20.6M of CMAQ/CTA funds have been secured for Austin (Green) Station.

Projects Funded: State of Good Repair - Maintenance Program

- CTA invests annually **$125M** for capital maintenance work that is designed to prevent and correct major mechanical, electrical, and structural problems on a plan basis. This preventive work and the planned overhaul and rehabilitation of select assets maintains the system in current state. As new sources of Capital our obtained the CTA will look to address our outstanding backlog of SOGR needs that total approximately **$12.46B**.
- Inspections and scheduled work is performed on the following major systems and components:

BUS
• Engine
• Transmission
• Body
• Differential
• HVAQ
• Brakes
• Chassis/Suspension
• Steering
• Electrical
• Fuel
• Air
• Doors

RAILCARS
• Propulsion
• Braking
• Doors
• RCA
• Communications
• Safety
• Battery/Charging
• Windows
• Lighting
• Suspension
• HVAC
• Signage
• Traction Power
• Automatic Train Control
• Car body/Structure

TRACK/STRUCTURE
• Rails/Track
• Crossties/Fasteners
• Signal Lights
• Switches
• Ballasts
• Elevated Structure
• Subway/Viaducts
• Power Systems
• Interlocking system
• R.O.W. Structure
• Station Infrastructure
• Platform Infrastructure
• Signage

Projects Funded: Major Capital Projects

Your New Blue (YNB) $492M	**Red Line Extension** (RLE) $2.3B	**Red Purple Modernization** (RPM) $2.1B

YNB is a $492M effort which includes several track and station improvement projects along a 12.5 mile stretch of CTA's Blue Line O'Hare Branch.
 	
Ongoing Work:
Stations
• Grand, Chicago and Division
• Logan Square
• Belmont
Traction Power & Signals:
• East Lake, and Milwaukee Substation Upgrade
• Signal Replacement between Jefferson Park and O'Hare
	RLE project proposes to extend the Red Line from the existing terminal at 95th/Dan Ryan to 130th Street. The proposed 5.3-mile extension would include four new stations near 103rd Street, 111th Street, Michigan Avenue, and 130th Street. Current CIP funds $385M.
	
	Project Status
	• Chicago Transit Board approved $310 million to fund engineering and design work needed to position the project to receive federal funding.
	• Continue working on final EIS and Preliminary Engineering
		RPM Phase One is a $2.1 billion project that will improve capacity, travel time, ride quality, and safety in one of CTA's highest ridership corridors.
		
		Project Status
		• **Red-Purple Bypass**
		  • Broke ground Oct. 2019
		  • Estimated completion 2021
		• **Lawrence to Bryn Mawr Modernization –** FY2020 to build temporary rail stations @ **Argyle** and **Bryn Mawr** to serve customers while Lawrence, Argyle, Berwyn and Bryn Mawr are closed for reconstruction (est. closure late 2020)

Projects Funded: Fleet Modernization Bus & Rail

Electric Bus Procurement 20 Buses

- Anticipated delivery 3rd Qtr 2020

Standard Bus Procurement of up to 600 Buses

- Base order of 100 award in 2020
- Anticipated delivery 2020/21
- Options of 500 post 2020
- Continue phased funding to replace 1000-Series New Flyers (55% of bus fleet)

Bus Overhaul

- Mid-life overhaul on 100 Articulated buses
- Life Extending Overhaul on 430 Standard New Flyer buses

7000- Series Procurement

- Awarded Base of 400 cars - 2016
- 10 Prototypes to be delivered in mid-2020
- Estimated delivery of all 400 rail cars 2022/23

5000-Series Overhaul

- Phase I Consist of critical need items (Ongoing) work will be performed fleet-wide
- Phase II "basic overhaul" on all 714 cars; will begin at the conclusion of Phase I .

Diesel Locomotives

- Review Request for Proposals (RFP) Ongoing
- Award contract 1st Qtr 2020
- Anticipated delivery 2nd/3RD Qtr. 2021

"Future Key Strategic Projects"

- Red Line Extension $2.3 billion
  - Extend the Red Line South from 95th Street to 130th Street, adding four new stations and a new rail yard and shop
- Blue Line Forest Park Branch Modernization - $1.6B.
  - Track, Station, Power Substation
  - Des Plaines Yard and Forest Park Terminal
- RPM Core Capacity - Phase II - $4.3 Billion
  - Track, Structure, and Stations from Thorndale to Howard
  - **Future Phase (III)** includes Red Line Stations from Addison to Sheridan and the Purple Line. Project Cost TBD.
- Brown Line Core Capacity - $1.8 Billion
- All Stations Accessibility Plan - $15.0 Billion
  - Comprehensive 20 Yr. Program to make All Stations vertically accessible
  - Make the remaining 42 station accessible and replace aging elevators and escalators throughout system
- Revenue Fleet Replacement - $1.5 Billion
  - Replace 1,030 buses approx. 55% of bus fleet
  - Purchase 446 New 7000 Series Railcar (Options to current contract)

CTA FY 2020-2024 Capital Improvement Program

- Thank You.
- Questions/comments