



**Regional
Transportation
Authority**

Capital Program Report First Quarter 2006

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Capital Program Report

First Quarter 2006

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 provided through the Service Boards' own 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 the *Capital Program Report*, SCIP bonds refer to the additional \$1.3 billion 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

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(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 03/31/06</u>
CTA	\$601.7	\$314.3
Metra	187.3	186.6
Pace	14.0	14.0
All Service Boards	\$803.0	\$514.9

	<u>2006 Annual Program</u>	<u>Grant Awards thru 03/31/06</u>
CTA	\$324.3	\$20.3
Metra	192.7	38.8
Pace	20.2	2.4
All Service Boards	\$537.2	\$61.5

As summarized in the table above, 64 percent of the funding for the 2005 Annual Capital Program has been awarded or otherwise available to the Service Boards. It should be noted that the 2005 Grant Awards do not include projects totaling \$287.7 million to be funded with the proceeds of the CTA Bonds. These funds are available for obligation although these CTA Bonds have not been issued through March 2005.

Through March, the 2006 capital grants issued to the Service Boards represent only 11 percent of the 2006 Capital Program Annual Awards. The Service Boards have only recently applied to the Federal Transit Administration for their 2006 grants.

Capital Program Report

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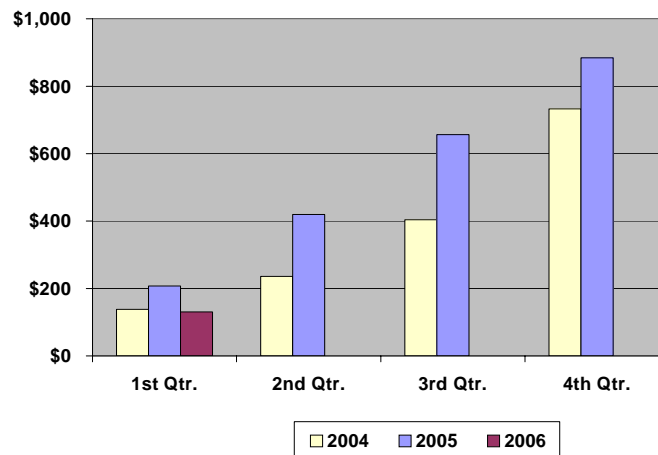
(In millions of dollars)

Regional Obligations

	Un-obligated as of 12/31/05	January-March Grant Awards	January-March Obligations	Un-obligated as of 03/31/06
2006 Capital Program	N/A	\$61.5	\$31.0	\$30.5
Previous Programs	715.2	18.3	99.8	633.7
Total	\$715.2*	\$79.8	\$130.8	\$664.2

*Total un-obligated amount excludes grants closed by the Service Boards through March 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 first quarter of 2006 obligations for the Service Boards totaled \$130.8 million.

Capital Program Report

First Quarter 2006

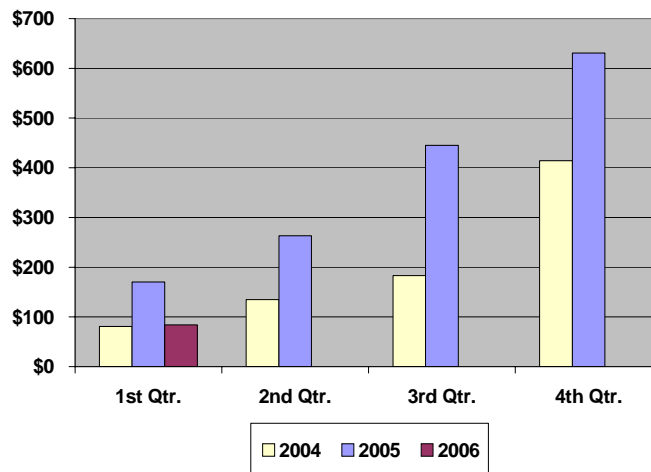
(In millions of dollars)

CTA Obligations

	Un-obligated as of 12/31/05	January-March Grant Awards	January-March Obligations	Un-obligated as of 03/31/06
2006 Capital Program	N/A	\$20.4	\$ 20.2	\$0.2
Previous Programs	470.9	17.3	63.8	421.4
Total	\$470.9*	\$37.7	\$84.0	\$424.6

*Total un-obligated amount excludes grants closed through March 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 first quarter of 2006 obligations for the CTA totaled \$84 million. This includes \$36.2 million to reconstruct the Howard Station on the Red Line, \$13.9 million for improvements at rail and bus facilities, \$12.6 million for the capacity expansion of the Brown Line, \$7.3 million for rail car overhauls and mid-life rehabilitations, \$6.3 million for bus overhaul activities, and \$4.2 million to repair track and structure components.

Capital Program Report

First Quarter 2006

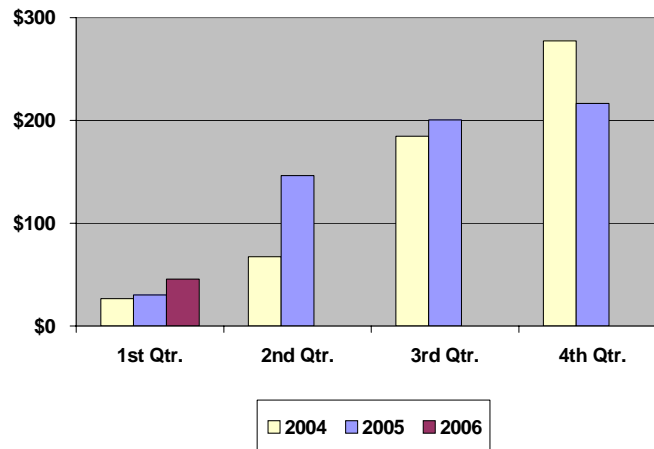
(In millions of dollars)

Metra Obligations

	Un-obligated as of 12/31/05	January-March Grant Awards	January-March Obligations	Un-obligated as of 03/31/06
2006 Program	N/A	\$38.8	\$10.9	\$27.9
Previous Programs	176.4	1.0	34.7	142.7
Total	\$176.4*	\$39.8	\$45.6	\$170.6

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

Metra Cumulative Obligations by Quarter



Metra's first quarter of 2006 obligations totaled \$45.6 million. This includes \$4 million for the installation of a train information management system, \$3.9 million to replace the HVAC system at Metra's headquarters building, \$2.8 million to rebuild air brakes on locomotives, electric cars and commuter cars and \$2.3 million to purchase equipment and vehicles.

Capital Program Report

First Quarter 2006

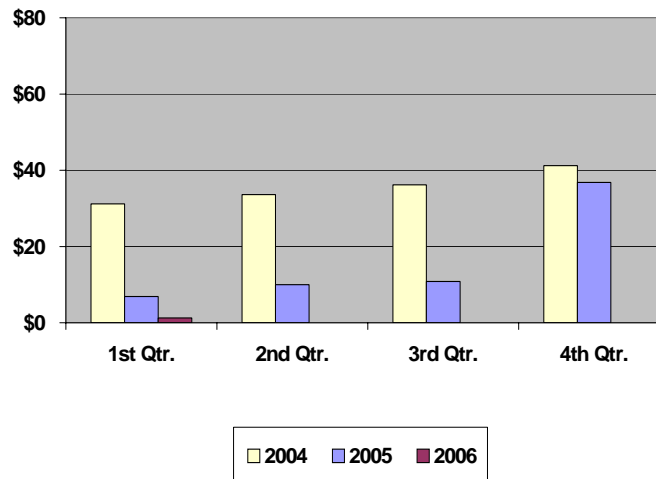
(In millions of dollars)

Pace Obligations

	Un-obligated as of 12/31/05	January-March Grant Awards	January-March Obligations	Un-obligated as of 03/31/06
2006 Program	N/A	\$ 2.4	\$0.0	\$2.4
Previous Programs	67.8	0.0	1.2	66.6
Total	\$67.8*	\$2.4	\$1.2	\$69.0

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

Pace Cumulative Obligations by Quarter



Pace obligated \$1.2 million in the first quarter of 2006. This includes \$1 million for the purchase of associated capital items.

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.

Capital Program Report

First Quarter 2006

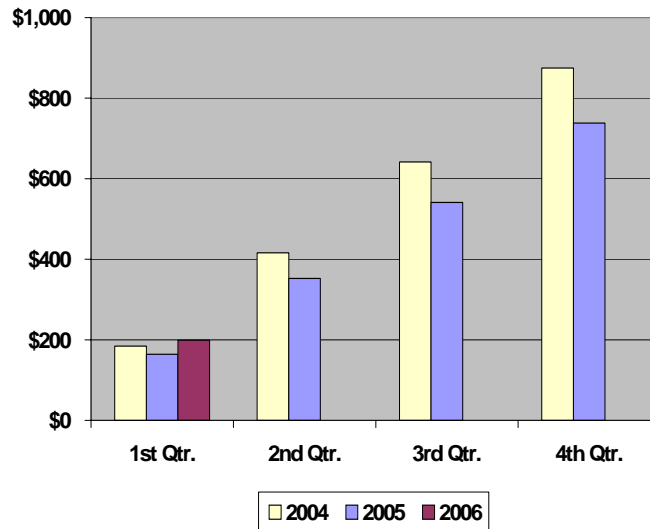
(In millions of dollars)

Regional Expenditures

	Un-expended as of 12/31/05	January-March Grant Awards	January-March Expenditures	Un-expended as of 03/31/06
2006 Program	N/A	\$61.5	\$4.5	\$57.0
Previous Programs	1,635.2	8.8	194.6	1,449.4
Total	\$1,635.2*	\$70.3	\$199.1	\$1,506.4

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

Cumulative Regional Expenditures by Quarter



Expenditures in the first quarter of 2006 were \$199.1 million for the Service Boards.

Capital Program Report

First Quarter 2006

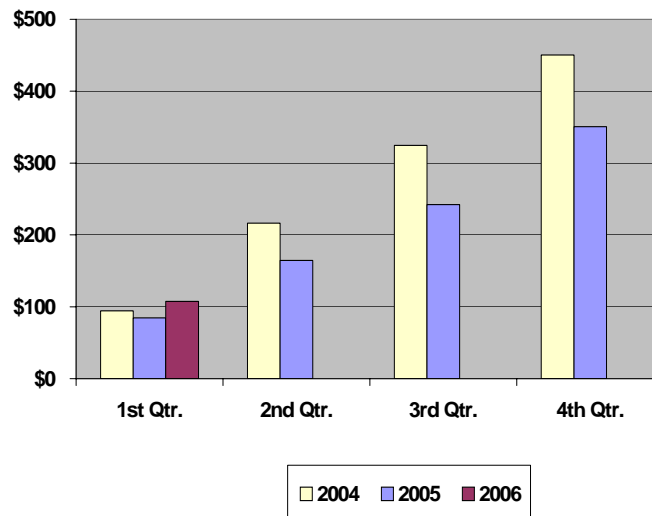
(In millions of dollars)

CTA Expenditures

	Un-expended as of 12/31/05	January-March Grant Awards	January-March Expenditures	Un-expended as of 03/31/06
2006 Program	N/A	\$20.4	\$3.7	\$16.7
Previous Programs	1,091.3	7.8	103.7	995.4
Total	\$1,091.3*	\$28.2	\$107.4	\$1,012.1

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

CTA Cumulative Expenditures by Quarter



The first quarter of 2006 expenditures for the CTA totaled \$107.4 million. This includes \$26.6 million for the capacity expansion of the Brown Line and the rehabilitation of Clark Junction, \$12.2 million for the rehabilitation of the Dan Ryan Branch of the Red Line, \$10.6 million to rehabilitate the Blue Line signals and power distribution systems, \$8.5 million to implement security projects and \$7.9 million to purchase buses.

Capital Program Report

First Quarter 2006

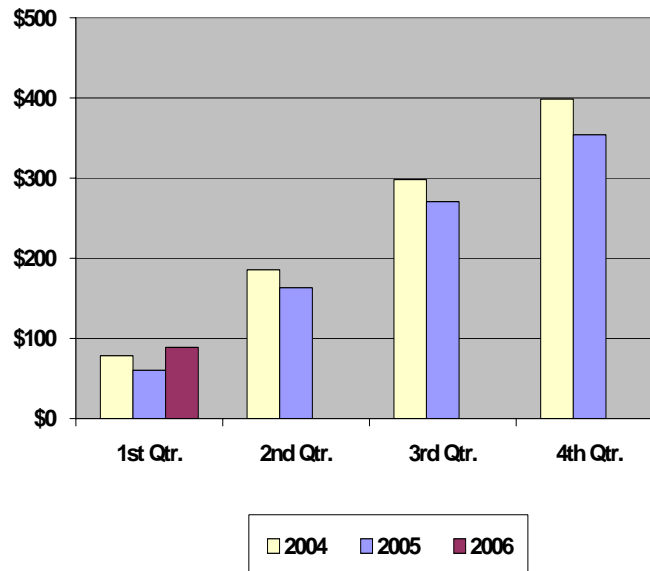
(In millions of dollars)

Metra Expenditures

	Un-expended as of 12/31/05	January-March Grant Awards	January-March Expenditures	Un-expended as of 03/31/06
2006 Program	N/A	\$38.8	\$ 0.9	\$37.9
Previous Programs	432.3	1.0	88.0	345.3
Total	\$432.3*	\$39.8	\$88.9	\$383.2

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

Metra Cumulative Expenditures by Quarter



The first quarter of 2006 expenditures for Metra totaled \$88.9 million. This includes \$36.9 million for the purchase of 26 electric cars and \$15.8 million for the purchase of 300 bi-level commuter cars. It also includes \$5.1 million for the extension and upgrade of the Southwest Service, \$4.1 million for the upgrade of the North Central Service, \$2.3 million for the extension of the Union Pacific West Line to Elburn and \$1.8 million for the rehabilitation of locomotives.

Capital Program Report

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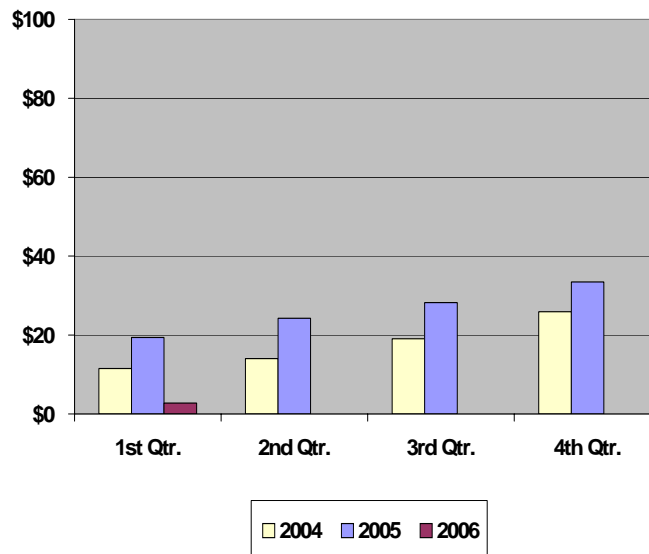
(In millions of dollars)

Pace Expenditures

	Un-expended as of 12/31/05	January-March Grant Awards	January-March Expenditures	Un-expended as of 03/31/06
2006 Program	N/A	\$2.4	\$0.0	\$2.4
Previous Programs	111.5	0.0	2.8	108.7
Total Funds	\$111.5*	\$2.4	\$2.8	\$111.1

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

Pace Cumulative Expenditures by Quarter



The first quarter of 2006 expenditures for Pace were \$2.8 million. This includes \$0.9 million for the purchase of vanpool vans, \$0.5 million for the purchase of fixed route buses and \$0.3 million for the Enterprise Resource Planning system.

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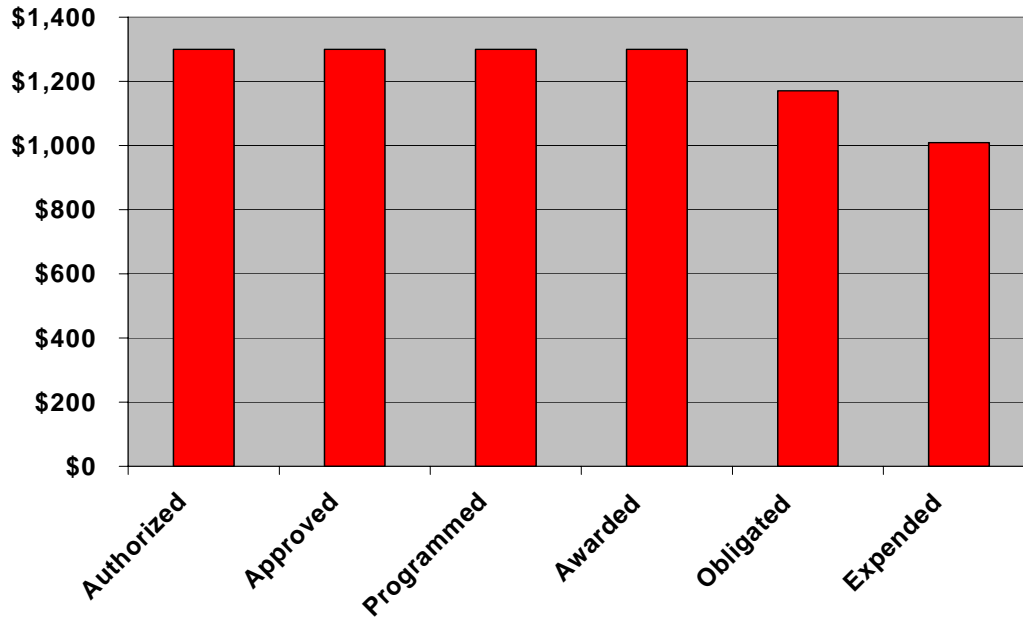
(In millions of dollars)

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	\$257.6	\$251.4
2001	260.0	260.0	260.0	260.0	259.5	244.6
2002	260.0	260.0	260.0	260.0	243.7	212.3
2003	260.0	260.0	260.0	260.0	210.1	162.1
2004	260.0	260.0	260.0	260.0	200.0	138.4
Total	\$1,300.0	\$1,300.0	\$1,300.0	\$1,300.0	\$1,170.9	\$1,008.8

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



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. No SCIP Bonds have been authorized after 2004.

Capital Program Report

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Project Highlights

CTA

Expand Capacity for the Brown Line

During the first quarter, FHP Tectonics Corporation (FHP) continued demolition of properties acquired by the CTA for the reconstruction of the Fullerton and Belmont stations and started the installation of caissons at the Fullerton Station. The CTA temporarily closed the Kedzie and Rockwell stations on February 20, 2006. At these two stations, FHP removed the old station houses and platforms, installed pre-cast platform piers and began the installation of platform steel.

Aldridge Electric, the contractor for the construction and upgrade of substations, completed the brick work, set the pre-cast roof and began the plumbing installation at the new Grace Substation. Aldridge began interior demolition at the Clark Substation.

Aldridge/Mass (AM), the contractor for the upgrade of signal system from the Kimball to Western stations and the installation of a new signal system at Clark Junction, completed the installation of the Lakewood and Barry relay houses and began wiring for these relay houses. In the Clark Junction corridor, AM continued the installation of switch machines, signals, route selectors, train stops and the erection of steel for the Clark relay house.

Rehabilitate Dan Ryan Branch of the Red Line

In the first quarter, Kiewit Reyes (KR), the contractor for the construction on the Dan Ryan Branch, completed the trackwork between Cermak Road and 33rd Street to eliminate over 8,600 feet of slow zones. In addition, KR demolished the 33rd Street entrance and pedestrian walkway and completed the escalator installation at the 35th Street Station. KR also conducted final testing for the new substations at 50th and Wells streets and at 39th Street and Pershing Road.

Reconstruct Howard Station on the Red Line

The CTA awarded a contract to James McHugh Construction Company for the reconstruction of the Howard Station on the Red Line. This work will include renovation of the station house and platform areas, reconstruction of the bus terminal and parking and rehabilitation of the Howard viaduct.

The station will be made fully ADA accessible. In addition, the CTA will upgrade the station's communications, electrical and lighting systems. The CTA expects to complete this work in 2009.

Improve and Upgrade Bus, Rail and Support Facilities

In order to maintain efficient and effective transit operations, the CTA is making improvements and upgrades at its bus, rail and support facilities. These facilities must be kept in a state of good repair in order to allow the expedient performance of maintenance duties of CTA rail and bus rolling stock and to service the needs of the CTA's customers.

This program will include the replacement and repair of roofs and the upgrade of rail stations and facilities including heating and air conditioning, electrical systems and fire alarm systems. It also includes the replacement and repair of escalators and elevators that are beyond their service lives and require frequent maintenance work to ensure safe and reliable service.

Capital Program Report

First Quarter 2006

CTA (cont.)

Upgrade Blue Line Signal and Traction Power Systems

Aldridge Mass, A Joint Venture (AM) is the contractor for the upgrade and replacement of the signal and traction control 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. AM will also install a new signal system to connect the Red Line and Blue Line subways at a new transit station to be constructed below Block 37 in the Chicago Loop.

During the first quarter, AM worked on the signal block design, completed the installation of cable brackets in the Dearborn and State subways and continued the installation of express communication ducts along the Congress Branch of the Blue Line.

Purchase 265 Low-Floor Buses

During the first quarter, New Flyer of America, Inc. began delivery of 265 buses to replace buses purchased in 1991 that have reached the end of their useful lives. These new buses will be fully accessible, air conditioned and equipped with the automated announcement system. By the end of this quarter, the CTA received 21 of these new buses.

Metra

Extend and Upgrade Southwest Service

In the first quarter of 2006, Metra completed the sewer work and the station foundation for the new station at Laraway Road in New Lenox. Metra also started station construction and utility installation at this station. At the 143rd Street Station in Orland Park, Metra continued masonry work, erected the roof trusses and began roof construction for the new station house in addition to starting platform construction. At the Palos Park Station, Metra continued the station construction and completed platform construction.

By the end of the first quarter, Metra was 82 percent complete with construction for this project, an increase of 3 percent over the completion percentage from the prior quarter. Metra began revenue service on the Southwest Service extension on January 30, 2006. The project continues to be under budget and ahead of schedule for all work which Metra expects to complete by the end of 2006.

Expand and Upgrade North Central Service

At the new station on Cicero Avenue on the Milwaukee District West Line (MWD West Line), Metra completed removing the existing abutments and poured new abutments, walls and footings. Metra also set the steel for the track 4 bridge. On the North Central Service (NCS), Metra continued construction of additional platforms and track at the Antioch Yard, completed station improvements at the Vernon Hills and Lake Villa stations, and completed the additional parking at the Round Lake Beach Station.

Overall, the project is 90 percent complete at the end of March. This is an increase of 2 percent from the completion percentage at the end of the previous quarter. Metra began the expanded service on the NCS on January 30, 2006. The project continues to be under budget and ahead of schedule for the completion of all work by December 2006.

Capital Program Report

Fourth Quarter 2005

Metra (cont.)

Extend Union Pacific West Line Service

By the end of the first quarter, Metra completed all platform construction at the Elburn and La Fox stations. At the Elburn Station, Metra excavated and poured concrete for the foundation and began utility work for the new station house. Metra also installed signs and guardrail for the parking lot at this station.

Metra completed 89 percent of the construction for the extension of the Union Pacific West Line. This is a 3 percent increase over the completion percentage at the end of the fourth quarter. This project is under budget and ahead of schedule for all work that Metra expects to complete by the end of 2006. Metra began service on this extension on January 23, 2006.

Install Train Management Information System

Metra awarded a contract to GE Transportation System Global Signal for a wireless messaging system. This is part of a wireless communication network that will provide Metra with real time satellite based Global Positioning System (GPS) coordinates and related train location and arrival/departure information to personnel on board trains and at terminals and stations. This system will help increase on-time performance and enable Metra to provide customers with auditory and visual messages of train arrival and departure times, reasons for train delays and information about emergencies.

Purchase 26 Accessible Electric Cars

In the first quarter of 2006, Metra received 18 accessible electric commuter cars for the Metra Electric District from Sumitomo Corporation of America. Metra has now received all 26 of these cars. They feature stainless-steel construction and state-of-the-art propulsion. They will replace highliner cars purchased in 1970 and 1971 that have reached the end of their useful lives and cannot be economically rehabilitated. All of these new cars will be fully ADA compliant.

Pace

Purchase Associated Capital Items

In the first quarter of 2006, Pace exercised an option in their contract with Jimmy Diesel to purchase power pack assemblies and transmissions for their bus fleet.

Purchase Vans for the Vanpool Program

During the first quarter of 2006, Pace took delivery of 9 vans for their vanpool program for a total of 389 vans delivered under their contract with G. E. Fleet Services.

Purchase 243 Fixed Route Buses

Pace has received 243 fixed route buses under a contract with North American Bus Industries (NABI). These new buses are fully accessible and replaced buses that have exceeded their useful lives. During the first quarter, Pace paid a portion of the final amount due to NABI.