



**Regional
Transportation
Authority**

Capital Program Report Fourth Quarter 2005

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Capital Program Report

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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* (2005 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*.

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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.

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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>2004 Annual Program</u>	<u>Grant Awards thru 12/31/05</u>
CTA	\$706.0	\$691.7
Metra	336.4	329.2
Pace	44.0	44.0
All Service Boards	\$1,086.2	\$1,064.9

	<u>2005 Annual Program</u>	<u>Grant Awards thru 12/31/05</u>
CTA	\$601.7	\$306.5
Metra	187.3	185.7
Pace	14.0	14.0
All Service Boards	\$803.0	\$506.2

As summarized in the table above, 98 percent of the funding for the 2004 Annual Capital Program has been awarded or otherwise available to the Service Boards. Through December, capital grants awarded to the Service Boards represent about 63 percent of the 2005 Annual Capital Program. Through December, the Service Boards have applied for all of their 2005 grants and received over \$506 million in federal and other grant awards. 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 December 2005.

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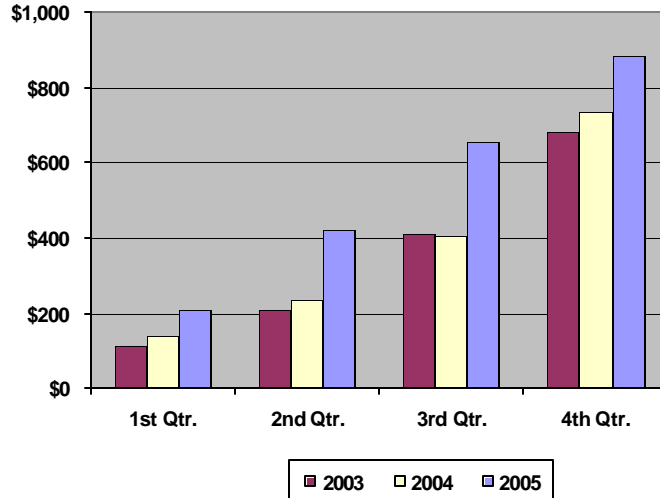
(In millions of dollars)

Regional Obligations

	Un-obligated as of 12/31/04	January-December Grant Awards	January-December Obligations	Un-obligated as of 12/31/05
2005 Capital Program	N/A	\$508.2	\$221.0	\$287.2
Previous Programs	811.6	287.9	663.1	436.4
Total	\$811.6*	\$796.1	\$884.1	\$723.6

*Total un-obligated amount excludes grants closed by the Service Boards through December 31, 2005. Un-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 fourth quarter of 2005 obligations for the Service Boards totaled \$227.9 million of the \$884.1 million obligated for the year. The higher amount of obligations through the fourth quarter of 2005 is due to the CTA's contract awards for the reconstruction of the Brown Line.

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(In millions of dollars)

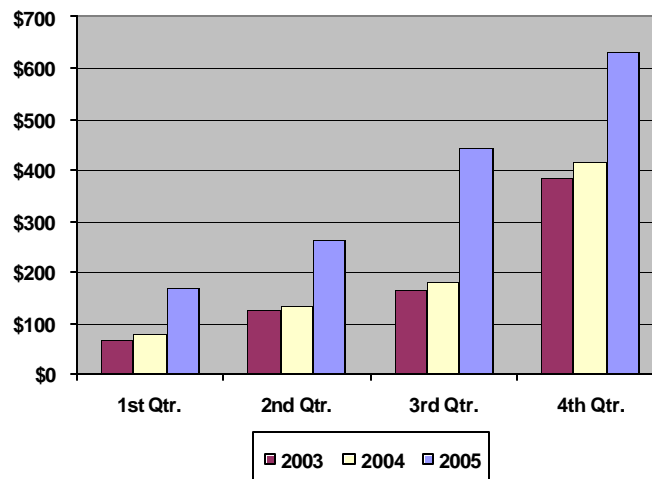
CTA Obligations

	Un-obligated as of 12/31/04	January-December Grant Awards	January-December Obligations	Un-obligated as of 12/31/05
2005 Capital Program	N/A	\$308.5	\$ 81.7	\$226.8
Previous Programs	530.0	270.2	549.1	251.1
Total	\$530.0*	\$578.7**	\$630.8	\$477.9

*Total un-obligated amount excludes grants closed through December 31, 2005. Un-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.

**Grant Awards include actual grant awards plus amounts equal to contract obligations under advance contract authority.

CTA Cumulative Obligations by Quarter



The fourth quarter of 2005 obligations for the CTA totaled \$185.9 million of the \$630.8 million obligated for 2005. This includes \$85.5 million for the Brown Line Capacity Expansion, \$51.6 million to replace signal and power distribution equipment in the Dearborn Subway and the Congress and O'Hare branches of the Blue Line, and \$15.8 million to purchase buses. It also includes \$12.3 million for the rehabilitation of the Dan Ryan Branch of the Red Line, \$9.1 million for bus overhauls and \$7 million for the construction of an intermodal station under Block 37 in the Chicago Loop between the Red and Blue lines.

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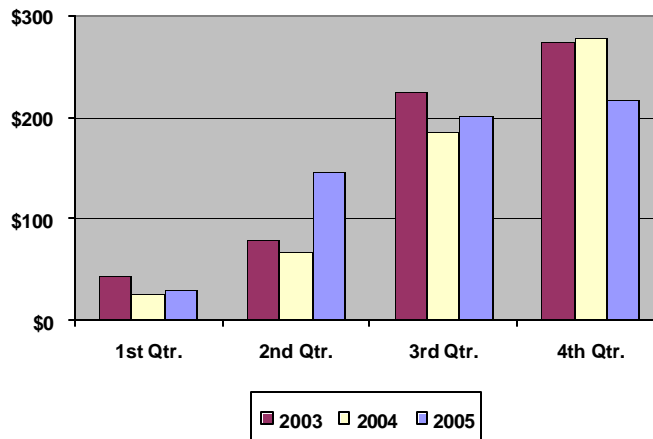
(In millions of dollars)

Metra Obligations

	Un-obligated as of 12/31/04	January-December Grant Awards	January-December Obligations	Un-obligated as of 12/31/05
2005 Program	N/A	\$185.7	\$139.3	\$46.4
Previous Programs	203.0	4.7	77.3	130.4
Total	\$203.0*	\$190.4	\$216.6	\$176.8

*Total un-obligated amount excludes closed grants through December 31, 2005.

Metra Cumulative Obligations by Quarter



Metra's fourth quarter of 2005 obligations totaled \$16 million of the \$216.6 million in obligations for the year. This includes \$11 million for the renewal of 22 bridges on the Union Pacific North Line, \$2.4 million to expand parking at the Oak Lawn Station on the Southwest Service and \$2.2 million for station and parking engineering.

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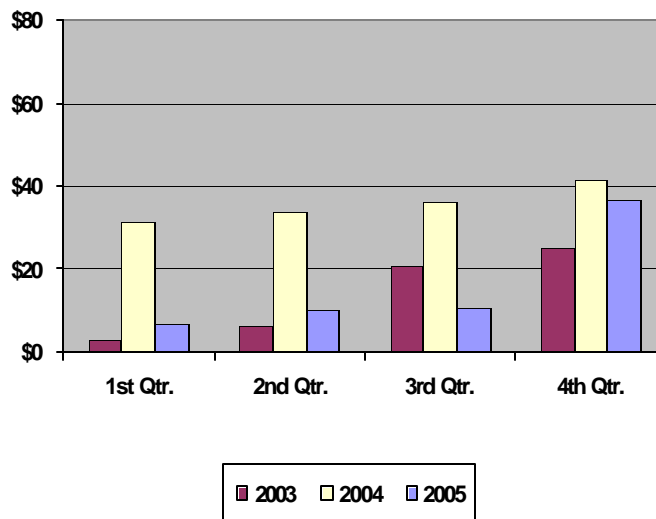
(In millions of dollars)

Pace Obligations

	Un-obligated as of 12/31/04	January-December Grant Awards	January-December Obligations	Un-obligated as of 12/31/05
2005 Program	N/A	\$ 14.0	\$0.0	\$14.0
Previous Programs	78.7	13.0	36.8	54.9
Total	\$78.7*	\$27.0	\$36.8	\$68.9

*Total un-obligated amount excludes closed grants through December 31, 2005.

Pace Cumulative Obligations by Quarter



Pace obligated \$26 million in the fourth quarter of the \$36.8 million obligated for 2005. The \$26 million obligation was for the purchase of fixed route buses.

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.

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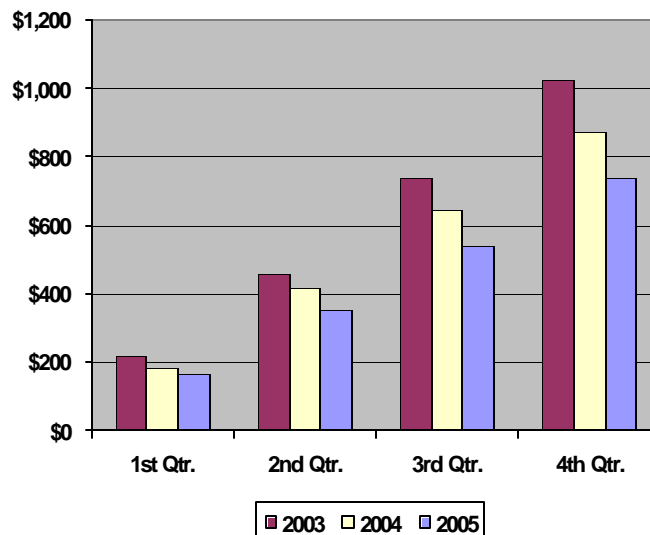
(In millions of dollars)

Regional Expenditures

	Un-expended as of 12/31/04	January-December Grant Awards	January-December Expenditures	Un-expended as of 12/31/05
2005 Program	N/A	\$508.2	\$124.4	\$383.8
Previous Programs	1,651.1	225.8	613.8	1,263.1
Total	\$1,651.1*	\$734.0	\$738.2	\$1,646.9

*Total un-expended amount excludes closed grants for the Service Boards through December 31, 2005.

Cumulative Regional Expenditures by Quarter



Regional expenditures in the fourth quarter of 2005 were \$197 million of the \$738.2 million of expenditures for 2005.

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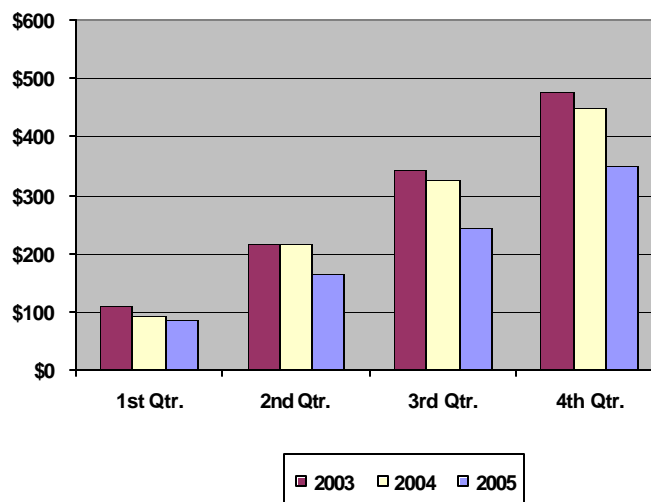
(In millions of dollars)

CTA Expenditures

	Un-expended as of 12/31/04	January-December Grant Awards	January-December Expenditures	Un-expended as of 12/31/05
2005 Program	N/A	\$308.5	\$66.9	\$241.6
Previous Programs	932.5	208.1	238.8	856.8
Total	\$932.5*	\$516.6	\$350.7	\$1,098.4

*Total un-expended amount excludes closed grants through December 31, 2005.

CTA Cumulative Expenditures by Quarter



The fourth quarter of 2005 expenditures for the CTA totaled \$108.4 million of the \$350.7 million expended for the year. This includes \$29.6 million for the capacity expansion of the Brown Line and the rehabilitation of Clark Junction, \$27.5 million for the rehabilitation of the Dan Ryan Branch of the Red Line, \$8.6 million to implement security projects and \$5.7 for the overhaul and rehabilitation of buses.

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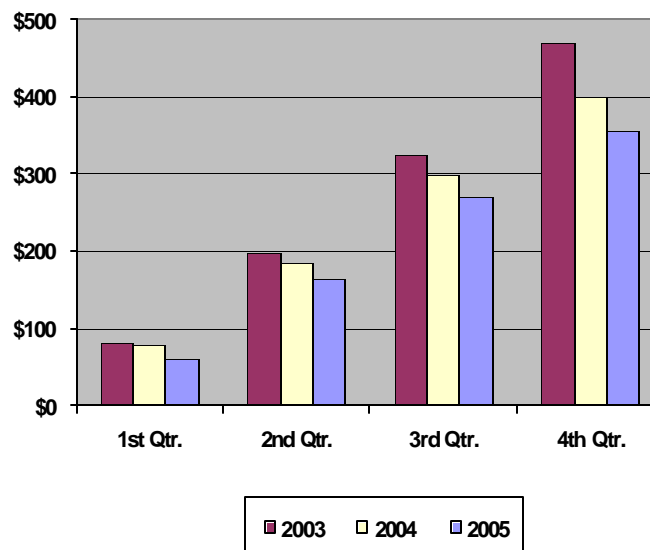
(In millions of dollars)

Metra Expenditures

	Un-expended as of 12/31/04	January-December Grant Awards	January-December Expenditures	Un-expended as of 12/31/05
2005 Program	N/A	\$185.7	\$ 57.4	\$128.3
Previous Programs	596.3	4.7	296.7	304.3
Total	\$596.3*	\$190.4	\$354.1	\$432.6

*Total un-expended amount excludes closed grants through December 31, 2005.

Metra Cumulative Expenditures by Quarter



The fourth quarter of 2005 expenditures for Metra totaled \$83.4 million of the \$354.1 million expended for 2005. This includes \$15 million for the upgrade of the North Central Service, \$10.4 million for the extension and upgrade of the Southwest Service and \$8.5million for the purchase of accessible bi-level commuter cars. It also includes \$7.5 million for the extension of the Union Pacific West Line to Elburn and \$2.7 million to rehabilitate six stations on the South Chicago Branch of the Metra Electric District.

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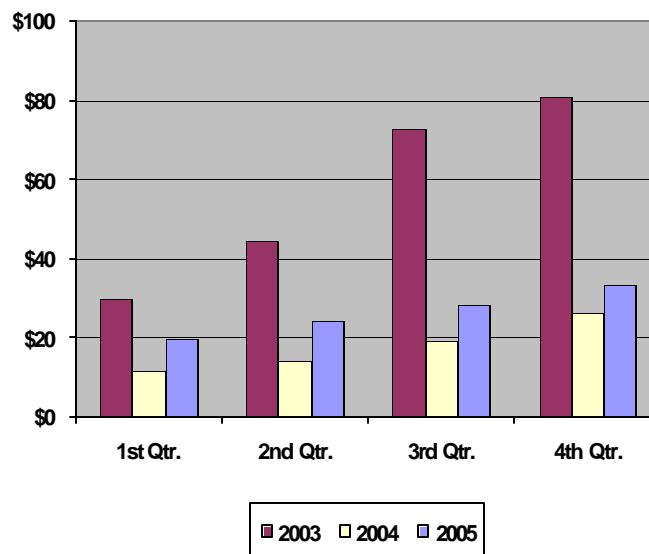
(In millions of dollars)

Pace Expenditures

	Un-expended as of 12/31/04	January-December Grant Awards	January-December Expenditures	Un-expended as of 12/31/05
2005 Program	N/A	\$14.0	\$0.0	\$14.0
Previous Programs	119.0	13.0	33.4	98.6
Total Funds	\$119.0*	\$27.0	\$33.4	\$112.6

*Total un-expended amount excludes closed grants through December 31, 2005.

Pace Cumulative Expenditures by Quarter



The fourth quarter of 2005 expenditures for Pace were \$5.2 million of the \$33.4 million expended for the year. This includes \$2.7 million for the purchase of vans for the vanpool, \$0.7 million for improvements to garages and \$0.3 million for associated capital items.

The large expenditure in 2003 was associated with Pace's purchase of 183 fixed route buses.

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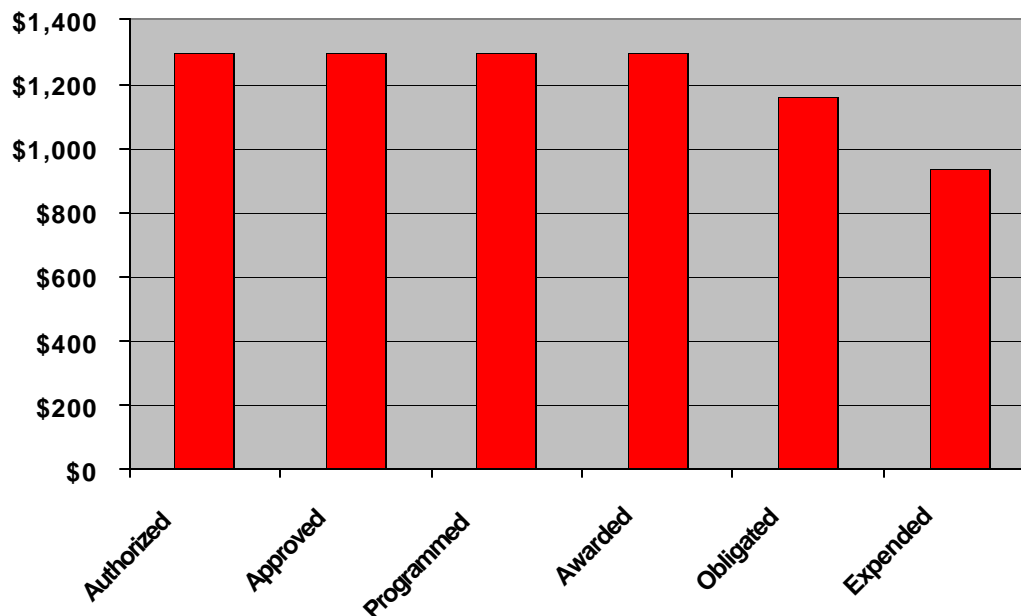
(In millions of dollars)

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	\$257.8	\$250.4
2001	260.0	260.0	260.0	260.0	259.9	247.5
2002	260.0	260.0	260.0	260.0	243.4	205.5
2003	260.0	260.0	260.0	260.0	205.8	144.7
2004	260.0	260.0	260.0	260.0	195.3	85.5
Total	\$1,300.0	\$1,300.0	\$1,300.0	\$1,300.0	\$1,162.2	\$933.6

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



Approximately 89 percent of the SCIP approved budget has been obligated by the Service Boards, and 72 percent of the SCIP approved budget has been expended. No SCIP Bonds have been authorized after 2004.

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Project Highlights

CTA

Expand Capacity for the Brown Line

On November 15, 2005, the CTA gave notice-to-proceed to FHP Tectonics Corporation (FHP) for two contracts for the station improvements which will expand platforms to accommodate eight-car trains at Brown Line stations. These contracts are for the Armitage, Sedgwick and Chicago stations and for the Kimball, Kedzie, Francisco, Rockwell and Western stations.

During the fourth quarter, FHP began demolition at properties acquired by the CTA for the reconstruction of the Belmont and Fullerton stations. FHP also began soil borings and site surveys at these stations.

Aldridge Electric, the contractor for the construction and upgrade of substations, completed the main floor slab for the Grace Substation and the installation of sewer and water lines. Aldridge Electric completed the structural wall and the pre-cast concrete roof for the substation.

Aldridge/Mass (AM), the contractor for the upgrade of signal system from Kimball to Western and the installation of a new signal system at Clark Junction, completed new grade crossings at Sacramento, Francisco and Rockwell avenues and continued the installation of signal platforms in the Clark Junction corridor.

Rehabilitate Dan Ryan Branch of the Red Line

In the fourth quarter, Kiewit Reyes (KR), the contractor for the construction on the Dan Ryan Branch, completed the installation of the contact rail, traction power equipment and the cabling for the new signal system. KR continued the installation and testing of equipment at the 50th Street/Wells and 39th Street/Pershing substations.

During this quarter, KR began the reconstruction of the 35th Street/Sox Station in addition to continuing the station reconstruction at the 47th Street, 55th Street, 63rd Street, 69th Street, 79th Street and 87th Street stations. New platform concrete has been installed at all of these stations except the 35th Street/Sox Station. The CTA expects to complete all of the rehabilitation work for this line by the fall of 2006.

Upgrade Blue Line Signal and Traction Power Systems

The CTA awarded a contract to Aldridge Mass, A Joint Venture to upgrade and replace 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. The contract will also include the installation of 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.

The existing signal system along 20 miles of track on the Blue Line was installed between 1951 and 1970 and is beyond its useful life.

Purchase 50 Thirty Foot Low-Floor Buses

The CTA awarded a contract to Optima Bus Corporation to purchase 50 thirty foot low-floor buses. This contract includes an option to purchase up to 75 additional buses. These buses are fully accessible and will be used on routes where the physical constraints of the streets or lower peak seat requirements make their operations more advantageous.

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CTA (cont.)

Perform Mid-Life Bus Overhauls

The CTA has embarked on an aggressive Bus Preventive Maintenance Program to replace parts nearing the end of their useful life before they fail including the mid-life overhaul of buses in their 5th to 7th year. The timely overhaul and replacement of buses will improve the comfort, quality and reliability of the CTA's service while reducing operating costs. As a part of the fourth program, the CTA completed the mid-life overhaul of 21 6000 Series buses in the fourth quarter. To date, the CTA has completed the mid-life overhaul for a total of 94 of the 6000 Series buses.

Implement Security Projects

This project is for the purchase and installation of security and communication enhancements throughout the CTA system at rail stations, yards, garages, shops and terminals. During this quarter, Divane Bros. Electric Co. proceeded with the implementation of security systems in subway tunnels and stations, and Aldridge Electric, Inc. is performing systemwide communication upgrades.

Metra

Expand and Upgrade North Central Service

During the fourth quarter of 2005, Metra continued construction of the new station at Cicero Avenue on the Milwaukee District West Line (MWD West Line) including pouring the northeast and southeast footings and walls. Metra completed driving sheet pilings and pouring abutments.

In addition, Metra started construction of additional platforms and track at the Antioch Yard and completed the additional parking at Vernon Hills Station on the North Central Service (NCS). By the end of the quarter, Metra completed or nearly completed station improvements at Lake Villa and Vernon Hills on the NCS and at Mont Clare and Mars on the MWD West Line.

Overall, the project is 88 percent complete at the end of December. This is an increase of 8 percent from the completion percentage at the end of the previous quarter. The project continues to be under budget and ahead of schedule. Metra began the expanded service on the NCS on January 30, 2006 and will complete all work by the end of 2006.

Extend Union Pacific West Line Service

In the fourth quarter of 2005, Metra started platform and parking construction at the Elburn Station, and by the end of the quarter Metra had nearly completed the platform work. In addition, Metra neared completion of the new signal system and trackwork for the extension of this line.

Metra completed 86 percent of the construction for the extension of the Union Pacific West Line. This is a 7 percent increase over the completion percentage at the end of the third quarter. This project is under budget and ahead of schedule for all work that Metra expects to complete by December 2006. Metra began service on this extension on January 23, 2006.

Extend and Upgrade Southwest Service

By the end of the fourth quarter, Metra nearly completed track construction and improvements for the Southwest Service and the installation of the new signal system from near 74th Street in Chicago to Manhattan. Metra continued grading the site and started the station foundation and sewer work for the new station at Laraway Road in New Lenox. In addition, Metra completed the foundation and began

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Metra (cont.)

steel erection and plumbing and electrical work for the 143rd Street Station in Orland Park.

By the end of the fourth quarter, Metra was 79 percent complete with construction for this project, an increase of 8 percent over the completion percentage from the prior quarter. The project continues to be under budget and ahead of schedule for all work to be completed by the end of 2006. Metra began revenue service on the Southwest Service extension on January 30, 2006.

Renew 22 Bridges on Union Pacific North Line

Metra is replacing 22 bridges on the Union Pacific North Line (UP North Line) in the City of Chicago between Fullerton Avenue and Balmoral Avenue. All of these bridges are over 100 years old and cannot be repaired economically. They must be replaced in order to avoid disruptions to commuter service.

During the fourth quarter, Metra awarded contracts for architectural and engineering services to five engineering firms: Alfred Benesch & Co., Bowman, Barrett & Associates, Consoer, Townsend Envirodyne Engineers, V3 Construction Group, Inc., and Thatcher Engineering.

Purchase 26 Accessible Electric Cars

In the fourth quarter, Metra received six accessible electric commuter cars for the Electric District from Sumitomo Corporation of America. Metra has now eight of these cars. These cars 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.

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

Metra is nearly complete with the construction of new station houses, platforms and canopies for the Stony Island and Bryn Mawr stations on the South Chicago Branch of the Metra Electric District. Metra has previously completed the reconstruction of the stations at 83rd and 87th street and the design for the reconstruction of the Windsor Park and Cheltenham stations on this line. Metra expects the reconstruction of all six stations to be finished by the end of 2008. All of these stations had become severely deteriorated. They will be rehabilitated in compliance with the *Americans with Disabilities Act*.

Pace

Purchase 222 Fixed Route Buses

In the fourth quarter of 2005, Pace awarded a contract to El Dorado National to purchase 96 thirty foot fixed route buses. Pace has an option in this contract to purchase an additional 129 buses for a total of 229 buses. These buses are fully accessible and will be equipped with Pace's Intelligent Bus System. They will replace buses purchased between 1993 and 1997 that have reached the end of the useful lives.

Purchase Vans for the Vanpool Program

During the fourth quarter of 2005, Pace took delivery of 71 vans for a total of 380 vans delivered under their contract with Citicapital Fleet.

Improve Garages and Facilities

In the four quarter, Oak Brook Mechanical Services, Inc. continued replacing five roof top heat recovery units at the South Division garage in Markham. All the work is approximately 95 percent complete.