

2016 PROPOSED CAPITAL PROGRAM

Growing List of Capital Needs

Since 1985, Metra has invested more than \$6 billion to maintain, rebuild and expand the region's commuter rail network. And yet, our growing list of unmet capital needs over the next 10 years now totals more than \$11.7 billion to achieve and maintain a state of good repair.

As part of this year's budget process, Metra identified more than \$500 million in capital needs for 2016 alone.

But, we reduced our list of capital needs to meet the limited funding we have and pay for those projects that represent the bare minimum investment we can make in 2016 to keep our system safe, reliable and able to operate efficiently.

Some very tough decisions were made in order for us to scale back this list to what is included in the proposed 2016 Budget.

As a result of funding constraints, many capital improvement projects have been identified to be deferred until 2017 and beyond. This level of investment will prevent Metra from achieving a state of good repair for years.

Fifty-seven percent of the capital program is committed to our modernization plan, including new and renovated cars and locomotives and \$34 million to continue to develop and install the federally mandated and unfunded Positive Train Control (PTC) safety system.

In all, Metra's proposed 2016 Budget provides for \$185.7 million for capital improvements.

Limited Funding Sources

Metra expects to receive **\$156.6 million in federal formula funding** for capital improvements in 2016. Other capital funding sources are estimated at **\$29.1 million in 2016**:

- \$15.6 million in Metra fare revenue dedicated to capital improvements (including \$3.2 million from the 2016 proposed fare increase)
- \$8.8 million in Congestion Mitigation and Air Quality funds
- \$4.7 million in RTA Innovation, Coordination and Enhancement (ICE) Program funds

Capital Improvements

Buying new or rehabilitating existing railcars and locomotives **\$85.4 million**

- \$35.1 million to begin the rehabilitation of 72 locomotives to ensure that they continue to provide safe and reliable service.
- \$22.3 million to begin or continue rehabilitation of 147 railcars and extend the useful life of our fleet.
- \$15 million to start the process of purchasing 367 new diesel cars to replace 318 cars with an average age of 43 years and increase the number of spare cars by 49. Under this long-term program, 106 new cars will be delivered between 2018 and 2019 and 261 cars will be delivered between 2020 and 2024.
- \$7.4 million in other railcar and locomotive improvements, including overhauling traction motors on locomotives and replacing the wheels on Metra's fleet of railcars and locomotives.
- \$5 million for enhanced safety features such as emergency car lighting, event recorders, digital voice recorders and cameras.

- \$500,000 to replace the air conditioning units on Metra's bi-level commuter cars with a more environmentally-friendly refrigerant.

Upgrading railroad communications technology, signals and systems **\$36.9 million**

- \$34 million to continue to develop and install the federally mandated Positive Train Control (PTC) safety system for a total cost of more than \$350 million.
- \$1.5 million to replace signal system infrastructure along Metra's lines.
- \$1.2 million for signal system upgrades including replacing protective relays at all traction power substations, replacing impedance bonds that are damaged or defective and installing special cables to protect the stray current between the steel catenary support structures and ground.
- \$200,000 for the installation of additional switch heaters to combat winter weather at key locations.

Investing in railroad track, bridges and other infrastructure **\$23.9 million**

- \$15.2 million for the routine replacement and repair of the ties, ballast, and railroad track along the BNSF, North Central Service, Milwaukee West, Milwaukee North, Rock Island and the Metra Electric and replacement of right-of-way fencing along the Union Pacific Lines - North, Northwest and West.
- \$3.9 million to improve highway grade crossings on the Metra Electric, Rock Island and the Milwaukee West and North Lines.
- \$3.7 million to repair and replace bridges along the Rock Island, Milwaukee North, Milwaukee West, BNSF and Metra Electric Lines.
- \$1 million for ongoing rehabilitation of various catenary structures on the Metra Electric.

Updating our rail yards, facilities and equipment **\$17.1 million**

- \$4 million for innovative technology programs such as mobile ticketing, enhanced crew optimization software and a pilot program for automated passenger counters.
- \$3.7 million to replace aging police cars, trucks and other vehicles used by Metra that have reached the end of their useful life.
- \$3 million for a systems upgrade to Metra's information technology infrastructure.
- \$2 million for engineering and design of the 49th Street Shop on the Rock Island Line to enable additional shift work for railcar and locomotive rehabilitation so that our modernization plan can accelerate.
- \$1.5 million for the purchase of a wheel truing machine for the Rock Island Blue Island Yard to allow for the work to be done in-house resulting in operating cost savings.
- \$1 million on information technology needed to continue implementation of Metra's enterprise resource planning (ERP) financial system that will facilitate the integration of data and information across all business functions.
- \$775,000 for various building, electrical and office equipment improvements and upgrades to comply with City of Chicago Building codes at Metra's central headquarters and storehouses, including installation of a stairwell pressurization system, replacement of the heating and cooling system and general office equipment.
- \$600,000 for facility improvements, switch heaters and power at the 14th Street Yard and the Hill Yard on the BNSF Line.
- \$500,000 for the installation of steel boardwalks at the Western Avenue Yard that will reduce operating costs because of improved maintenance efficiency.

Investing in our train stations **\$13.2 million**

- \$4.4 million to fully rehabilitate three stations with new lighting, paint, stairs, shelters and related work at the West Chicago Station on the UP West Line, the Riverside Station on the BNSF Line and the Woodstock Station on the UP Northwest Line.
- \$3 million to replace or rehabilitate platforms at 12 stations to meet ADA standards.

- \$2.6 million for new station signs and routine replacement of shelters and platforms including masonry, concrete, roofs, doors, windows, floors, ceilings, lighting, drainage, stairs, guardrails, handrails, benches, shelters, canopies and other related work.
- \$2.5 million for acquisition of land that is near or adjacent to the right-of-way, Metra property, or deemed significant to Metra's overall operation.
- \$749,000 for a pilot project to install and test a new heated platform technology to aid in snow removal and safety.

Funding for other capital support activities**\$9.3 million**

- \$3.2 million set aside for capital improvement projects that require local matching funds in 2016.
- \$2.3 million in reserve funds available for capital projects that arise throughout the year.
- \$1.9 million for contingencies to fund emergency repairs and unanticipated capital needs
- \$1 million for professional design and construction management services in the areas of civil, structural, electrical, mechanical, signal, communications and environmental engineering.
- \$800,000 for the administration of capital projects and grants such as budget revisions, requisitions, quarterly reports and reconciliation of expenses.

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