

2017

# OPERATING and CAPITAL PROGRAM and BUDGET

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## MESSAGE FROM THE EXECUTIVE DIRECTOR/CEO AND THE BOARD OF DIRECTORS

As we do each year, Metra began the 2017 budget process by looking for ways to reduce costs and maximize efficiencies that can have a positive impact on our bottom line. This year, we found \$5.3 million in cuts to the current operating budget, bringing the total efficiencies achieved by Metra in the past seven years to \$24.8 million.

In 2017, we also plan to benefit from previously negotiated diesel fuel prices locked in in 2016, with a projected savings of \$9 million. Other factors impacting the operating budget are the projected \$11.6 million increase in employee health care costs in 2017, combined with an average 3 percent increase in employee wages. In 2017, we also expect a \$4.7 million increase in training and mechanical costs, a \$2.6 million increase in PTC operating costs, a \$2.8 million increase in materials and services costs and a \$1.2 million increase for the Safety and Police Departments. These changes will increase operating costs in 2017 by \$21.4 million to \$781.2 million – an increase of 2.8 percent over 2016.

Fares only cover about half of the operating budget, with the rest primarily coming from the RTA sales tax collected in the six-county region (partially matched by state). The \$21.4 million in operating cost increases will be offset by an additional \$21.8 million Metra is expected to receive from the RTA sales tax in 2017.

Last year, we said that without a new state bond program, we may need to raise fares even higher than we had projected to fund our capital budget. By finding budget efficiencies and carefully prioritizing our capital needs, we are proposing a 5.8 percent increase in fare revenue for 2017 – with 100 percent going toward capital improvements.

In all, we expect to invest \$279.5 million in 2017 on capital projects, up from \$251.1 million in 2016. Our 2017 Preliminary Capital Budget includes \$90.4 million for rolling stock to continue our program to rehabilitate 18 locomotives and 43 railcars annually and a portion of funding to purchase 21 new railcars. Other major capital investments include: \$23 million to continue the multi-year effort to replace aging Union Pacific North Line bridges over 22 streets on the north side of Chicago; \$20 million to expand the 49th Street rehabilitation facility and increase by 30 percent the number of railcars Metra can rehab each year; and \$30.5 million to continue to install PTC. This is the minimum capital investment. This is the minimum capital investment we need for our system to function reliably.

Even with the increased fare revenue, we're still far short of our capital needs. In fact, over the next 10 years, we need to spend nearly \$1.2 billion annually on capital projects: \$550 million annually to maintain our existing system and \$600 million annually to return to a state of good repair. That's \$11.7 billion over the next decade. In each of the next four years, we project that we will have less than \$300 million annually available to spend on capital projects – about \$900 million less than we need to spend each year.

We have consistently said that if we can find ways to avoid higher fares, we will do it. However, we have no other option at this time unless we cut capital spending, reduce service or find even more new sources of revenue. Despite the impact a fare increase will have on our customers, we have a responsibility to provide a safe and well-run system today and for the next generation.

Executive Director/CEO **DON ORSENO** and the **BOARD OF DIRECTORS**

# TABLE OF CONTENTS

<b>Message from the Executive Director and Board of Directors</b>	<b>1</b>
<b>A Look Back at 2016</b>	<b>3</b>
<b>System Overview</b>	<b>6</b>
<b>Funding Overview</b>	<b>7</b>
<b>Ridership</b>	<b>8</b>
<b>Fares</b>	<b>9</b>
<b>Organization</b>	<b>11</b>
<b>Oversight</b>	<b>16</b>
<b>Other Major Initiatives</b>	<b>17</b>
<b>Capital Program</b>	<b>19</b>
<b>Non-Capital Programs</b>	<b>20</b>
<b>2016 Budget Overview</b>	<b>23</b>
<b>Appendix</b>	<b>25</b>

## A LOOK BACK AT 2016

Metra's goals in 2016 were to maintain the safety and reliability of our system, become a more customer-focused, transparent and accountable agency and effectively manage and maximize our limited financial resources. And, while 2016 was not without setbacks, as we look back on our progress over the past year, we believe we have made steady strides toward restoring trust in our agency and enhancing service for our customers.

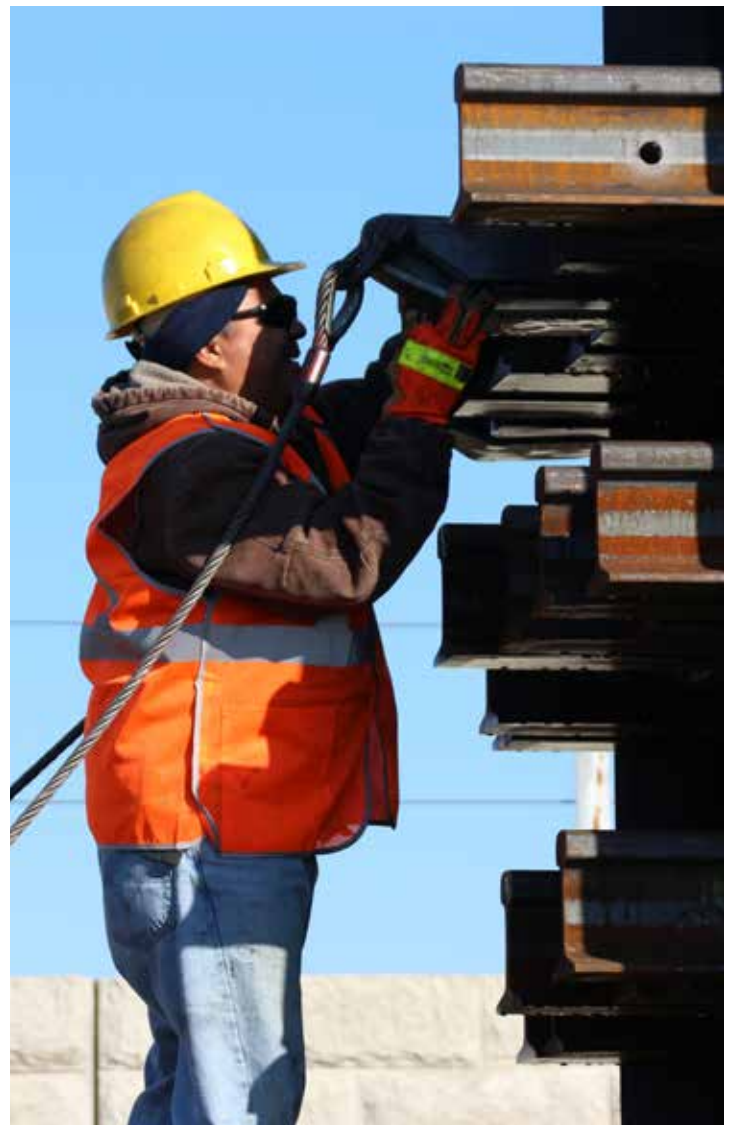
### KEEPING OUR SYSTEM SAFE AND RELIABLE

At its core, the \$2.4 billion Modernization Plan approved by the Board in 2014 was meant to enhance the safety and reliability of the system by funding Positive Train Control (PTC), a new, federally mandated (but unfunded) safety system, and modernizing the agency's fleet. PTC is a computerized system that prevents certain types of train-to-train collisions, helps avoid derailments and other accidents caused by excessive speed and increases safety for railroad workers. Metra has begun testing the system on some lines with plans to finish installation on most lines by 2019.

In all, PTC is expected to cost Metra between \$350 million and \$400 million to install and \$15 million to \$20 million annually to operate. To date, Metra has spent \$95 million in capital funding on PTC and has \$208 million under contract. Additionally, Metra has applied for \$20.5 million in Fixing America's Surface Transportation Act grant funding to assist in financing the installation of PTC.

We have also seen steady progress on other portions of our Modernization Plan. Since the plan was announced, Metra has rebuilt 68 railcars and seven locomotives. Designs for the expansion of our main railcar rehabilitation facility are underway, with construction planned for 2018. Expanding this facility will allow us to increase the number of cars that can be rehabilitated each year, resulting in more comfortable and more reliable service for our customers.

However, while the purchase of new railcars was part of the plan, we made the decision in August to suspend this procurement due to the uncertainty of funding sources – specifically, the absence of a new state bond program. To be clear, our commitment to modernizing our fleet remains unchanged. We plan to reissue the new railcar procurement once a new state bond program is approved. In the meantime, we are pursuing several promising alternatives, including acquiring Virginia Railway Express' option to buy 21 new railcars and exploring whether we can buy and renovate some later-model cars from other commuter railroads. Our goal in 2017 will be to present an updated Modernization Plan with funding sources that more accurately reflect our current financial situation.



## BECOMING MORE CUSTOMER-FOCUSED



In the last 12 months, Metra increased our focus on our customers by adding several amenities that have improved the customer experience. Most notably, the Ventra App was launched in conjunction with our transit partners at the CTA and Pace. The app allows customers to buy and display Metra mobile tickets, putting a Metra vending machine into the hands of all customers who carry a smartphone. For the first time, Metra customers can buy tickets with a credit card onboard a train, and use the CTA and Pace's Ventra fare payment system to buy Metra tickets. The app has been hugely popular with our customers, with nearly one-fourth of them now using it to buy their tickets, and it recently won APTA's Innovation Award, the industry's top honor.

Metra also made several changes to our website in recent years to improve the customer experience. We added a real-time train tracker so our customers always know when their trains are going to arrive. We changed our email alert system so our customers only receive alerts when they want to receive them. And in the summer of 2016, we launched a major upgrade of our website that is designed to make it easier for customers to find the information they need and want – particularly on mobile devices.

Also in 2016, Metra expanded its onboard Wi-Fi initiative, adding 50 more railcars to the program after a successful test on 12 cars. The decision to continue and expand the Wi-Fi program was made after an online survey showed that a majority of customers were satisfied with the quality of the connection during the test. A majority of survey respondents also indicated that the onboard Wi-Fi service met their expectations. The test, which began in February, was intended to determine whether the hotspot technology could provide free and dependable internet access to customers at an affordable cost to Metra.

Metra also produced its first-ever courtesy campaign in 2016 to address some of the most common complaints that our customers have about other customers. Our goal with the campaign was to try to improve the customer experience by raising awareness about the need to be polite onboard our trains, something we consistently do with our passenger newsletter.

## CONTINUING OUR COMMITMENT TO TRANSPARENCY AND ACCOUNTABILITY

For the past several years, Metra has looked beyond simply cutting expenses and identifying cost efficiencies and is questioning some of the fundamentals of how we do business, including our fare structure and how we prioritize capital projects.

Metra has embarked on a one-year effort to evaluate the agency's distance-based fare structure and fare products and recommend changes that will ensure we are best serving the region's needs. California-based Four Nines Technologies was hired to do the work, which includes determining opportunities and costs of potential fare structure changes and developing a model that can help Metra evaluate those potential changes.

To help us prioritize future major capital investment projects with scarce resources, Metra is also undertaking the agency's first ever cost-benefit analysis of about 30 potential expansion and improvement projects. The goal of this analysis is to provide comparable data for these service expansion and improvement projects, so that we

can make responsible investments based on objective data and ensure that we are meeting the needs of the region in the years to come

As further evidence of our commitment to operating efficiently, the Metra Board of Directors approved two agreements with Cook County in 2016 that are allowing the agency's Police Department to put more officers in the field and operate more effectively and efficiently. In the first agreement, tickets issued by Metra Police officers in Cook County for violations of ordinances that protect Metra passengers and property will now be adjudicated by the Cook County Department of Administrative Hearings. By using this process, Metra is reducing the number of hours our officers are required to spend in court, freeing them to focus their efforts out in the field. In the second agreement, Metra has contracted with the Cook County Sheriff to provide 24-hour dispatching service to Metra for 911 calls, allowing nine Metra Police officers to return to regular police duties. Those changes came after Metra cut police overtime costs by 33 percent over the past two years.

## EFFECTIVELY MANAGING AND MAXIMIZING OUR LIMITED RESOURCES

Despite our agency's financial challenges, Metra works year-round to maintain the system and perform work that is needed to operate as safely and efficiently as possible. This year, Metra and its railroad partners will spend about \$200 million on infrastructure improvements to stations, track, bridges and road crossings, including projects throughout Metra's six-county service area. Our goal is to be as efficient as possible with the resources we have and limit the impact of track construction activity on our customers.

Metra is also continuing work on a three-year, \$20 million project to replace a diverse set of aging, back office financial systems with a modern, fully integrated accounting and management information system. A major objective of the new system is to enhance operational and financial analytical capabilities to achieve future cost efficiencies. The new system will support a variety of functions, including grant management, project accounting, purchasing, budgeting, general ledger, accounts payable, accounts receivable, treasury, payroll, inventory and fixed assets. The majority of financial applications are planned to go live in mid-2017.

Given our agency's limited resources, we believe we owe it to our customers to try to collect fares from everyone who uses our service. That's why, in 2016, Metra doubled its team of employees tasked with riding its trains anonymously to observe and report on the condition of railcars, stations and parking lots; the performance of conductors; and the quality of platform announcements and ADA signage. Monitoring fare collection practices is a high priority for the train observation team, which observes conductors to learn if they are taking the appropriate measures to collect fares.

Now more than ever, it is essential that we look for creative ways to generate revenue that can impact our agency's bottom line while eliminating or minimizing fare increases. In 2016, Metra worked diligently to identify sources of non-fare revenue, including issuing an invitation for bids for an "Official Rideshare Partner." Metra will allow the entity that provides the highest submittal price to include their name on a wide range of promotional materials, including posters displayed at train stations and on Metra trains, timetables, mailing inserts and advertisements in marketing emails and at ticket office windows. We are also actively searching for a corporate sponsor for onboard Wi-Fi and hope to make more progress in finding additional non-fare revenue in 2017.



## SYSTEM OVERVIEW

Metra is the largest commuter railroad in the nation based on miles of track and the second-largest based on ridership, providing 300,000 rides each weekday. Metra's primary mission is to provide safe, reliable and efficient commuter rail service that enhances the economic and environmental health of the Northeast Illinois region it serves.

The Metra service area encompasses a six-county region of more than 3,700 square miles. Metra operates 709 weekday trains on 11 rail lines that serve 241 stations. Metra owns and operates four rail lines (Rock Island, Metra Electric, Milwaukee North and Milwaukee West). Three Metra lines are operated by Metra employees over freight railroad-owned track through trackage rights or lease agreements (Heritage Corridor, North Central Service and SouthWest Service). Four additional Metra lines are operated directly by freight railroads through purchase-of-service agreements (BNSF, Union Pacific North, Union Pacific Northwest and Union Pacific West lines).

## METRA BY THE NUMBERS

- **81.6 million passenger trips in 2015**
- **709 weekday trains, 308 Saturday trains and 175 Sunday trains**
- **241 stations**
- **1,155 miles of track**
- **488 route miles**
- **149 locomotives**
- **845 diesel passenger railcars (includes cab cars and trailer cars)**
- **186 electric propelled passenger railcars**
- **823 bridges**
- **571 grade crossings**
- **24 rail yards**
- **90,779 parking spaces**
- **11 electrical substations**
- **5 electrical tie stations**
- **12 fuel facilities**

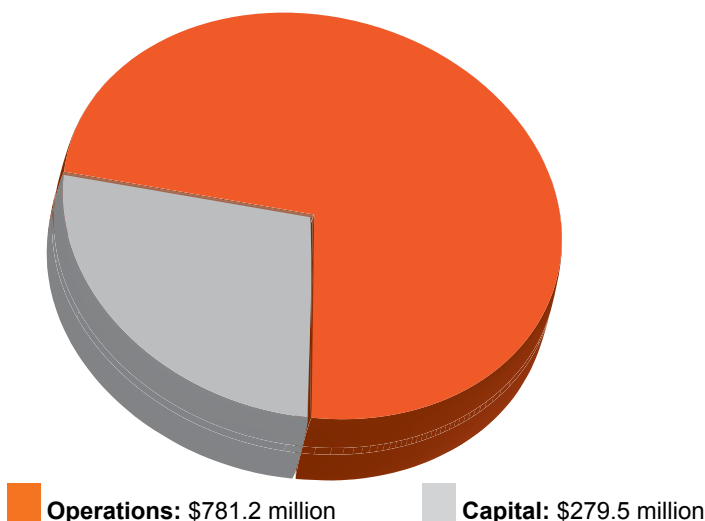


## FUNDING OVERVIEW

Metra provides a vital transportation link for 300,000 commuters each weekday. Since 1985, Metra has invested more than \$6 billion to rebuild, maintain and expand the region's passenger rail network. Public funding for transit is provided for two broad categories: operations and capital.

In the six-county region of northeast Illinois served by Metra, operations funding is provided through system-generated revenues – primarily fares – and subsidized in large part through a regional sales tax. Capital funding is provided through a variety of federal programs and state and local funding sources, including bond programs and a small amount of fare revenue. For 2017, Metra's total budget for operations and capital is \$1.06 billion. As shown in **Exhibit 1** below, this total includes \$781.2 million for operations and \$279.5 million for capital.

Exhibit 1  
**2017 FUNDING DISTRIBUTION**  
**TOTAL \$1.06 BILLION**



## OPERATIONS FUNDING

Under the provisions of the Regional Transportation Authority Act, the RTA and the service boards (Metra, CTA and Pace) are required to recover a combined 50 percent of operating expenses through fares and other revenues. The RTA sets individual recovery ratios for each of the operating agencies to achieve this requirement as part of the budgeting process. The RTA revenue recovery ratio mark for Metra is 52.5 percent in 2017. Metra's 2017 budget achieves a recovery ratio of 52.9 percent.

Metra is committed to a balanced operating budget without using capital dollars to fund operating activities. Working with RTA and other service board staff, Metra has realized additional sources of funding for 2017 and the out years of this budget. In 2017, Metra will receive funds from the RTA Innovation, Coordination and Enhancement Program (ICE). For 2017, Metra anticipates it will receive enough new sales tax revenue to cover its increase in operating expenses. Therefore, a fare increase for operations is not needed. However, the Metra Board of Directors has an increase in fare revenue of 5.8 percent to help fund our capital budget.

## CAPITAL FUNDING

Federal State of Good Repair and Federal Formula funds, in addition to some fare revenue set aside for capital uses (which Metra refers to as Farebox Capital), are the source of funds for Metra's 2017 Capital Program. Other funding sources that supplement Metra's Capital Program include federal Congestion Mitigation and Air Quality (CMAQ) funding and RTA Innovation, Coordination and Enhancement (ICE) funds. A more detailed discussion of Metra's 2017-2021 Capital Program begins on page 19. Tables and project descriptions for Metra's 2017-2021 program are included in the Appendix of this document (pages 32-42) and show funding available from current sources.

# RIDERSHIP

Metra’s core customers are morning commuters to Chicago’s central business district. As employment grows in the downtown area, ridership increases on Metra. This means that Metra’s future depends on a thriving downtown, but it is equally true that downtown and all communities along the commuter rail lines need Metra service to support a growing workforce.

The most recent U.S. census data on work trips and annual ridership estimates illustrate this critical relationship between a growing workforce and Metra. Between 2002 and 2014, the number of workers commuting to the central business district grew by 61,000, from 347,000 to 408,000. During the same period, Metra’s annual fare-paying passenger trips grew by 6.8 million, from approximately 75.5 million to 82.3 million.

In addition to downtown employment, other factors encourage or discourage ridership. Metra has control over some of these factors, such as fares, train capacity, on-time performance and general service reliability. In 2014, Metra undertook a customer satisfaction survey, an origin-destination survey, and rider boarding and alighting counts to measure how the service is used by riders and what they think of the service provided. In 2015, Metra decided to conduct additional customer satisfaction surveys to

more frequently track its performance in delivering reliable and safe transportation that represents a good value to its customers. The results of this work will guide efforts to encourage more ridership.

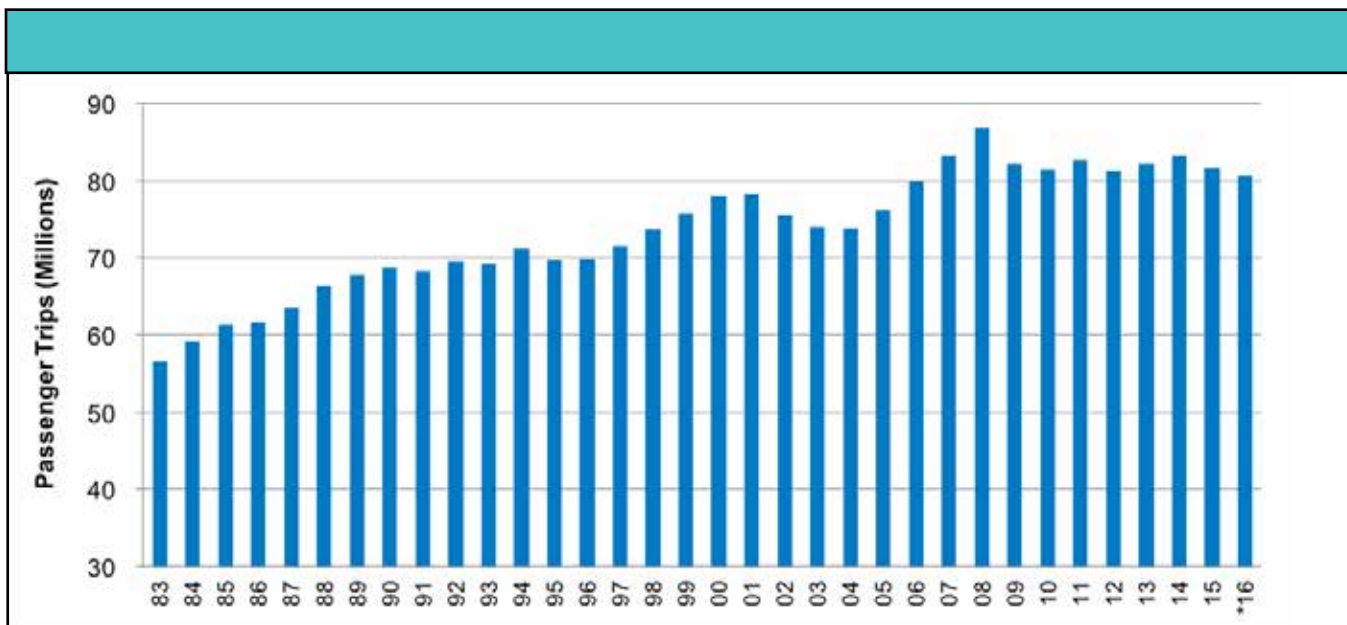
Outside of Metra’s control, some events work in favor of ridership, such as major highway construction, highway toll increases, rises in gas prices, Chicago parking rates and major sporting events such as the Stanley Cup or World Series. Other outside forces work against ridership, such as declining population and employment near Metra stations.

Metra is committed to growing ridership across all market segments by positioning its service as the preferred mode of travel in terms of reliability, efficiency and convenience. To deliver on this strategy, Metra needs to maintain its infrastructure to ensure reliable service. Ongoing capital investments will help Metra achieve this goal.

The 2017 budget forecasts ridership to decline 0.8 percent (see **Exhibit 18** on page 45).

**Exhibit 2** below shows historic ridership trends. Metra’s 2016 ridership through August is 2.0 percent lower than 2015 and 1.0 percent lower than the budgeted goal. At this time, we project final 2016 ridership will be 80.6 million.

Exhibit 2  
**METRA SYSTEM ANNUAL RIDERSHIP (JANUARY-DECEMBER FREE AND REPORTED TRIPS)**



\*Estimate

## FARES

Metra fares are set according to travel between designated fare zones, which are established at five-mile intervals beginning at each rail line's downtown Chicago terminal. A uniform base fare is charged for travel within a zone and increments are added to the base fare as additional fare zone boundaries are crossed.

Within the general structure of zones and one-way fares, an assortment of ticket types are designed to allow flexibility in the use of Metra services; these are described in **Exhibit 3** below.

### Exhibit 3

#### METRA TICKET TYPES

Ticket Type	Period of Validity	Number of Rides
Monthly*	Calendar month and first business day of next month	Unlimited
Ten-Ride*	One year	Ten
One-Way*	90 days	One
Weekend	Saturday/Sunday	Unlimited

*\*These ticket types are offered at a reduced rate to senior citizens, persons with disabilities, children, students through high school and active duty military personnel. Restrictions and more details on these reduced fare programs can be found at [metrarail.com](http://metrarail.com).*

For an additional fee, Metra monthly ticket holders can buy a Link-Up pass, which allows peak-period travel on CTA and unlimited travel on Pace scheduled routes, or a PlusBus pass, which allows unlimited travel on Pace scheduled routes.

#### FARE POLICY PRINCIPLES

During the 2012 budget review process, the Metra Board adopted the following principles for fare policy:

- Consider regular fare adjustments that ensure a balanced budget, keep pace with inflation and avoid significant, infrequent fare increases.
- Allow no diversion of capital-eligible funds to the operating budget.
- Acknowledge the total cost and the total value of providing services.
- Maintain a fair pricing structure that maximizes revenues.
- Review fare media to improve fare collection and simplify overall collection activities and reconciliation.
- Minimize on-train transactions and overall transaction costs.
- Recognize that convenience has a value.
- Equalize fare differentials by zone over time.
- Evaluate fare policies of partner and peer agencies.

**The following fare changes are for 2017:**

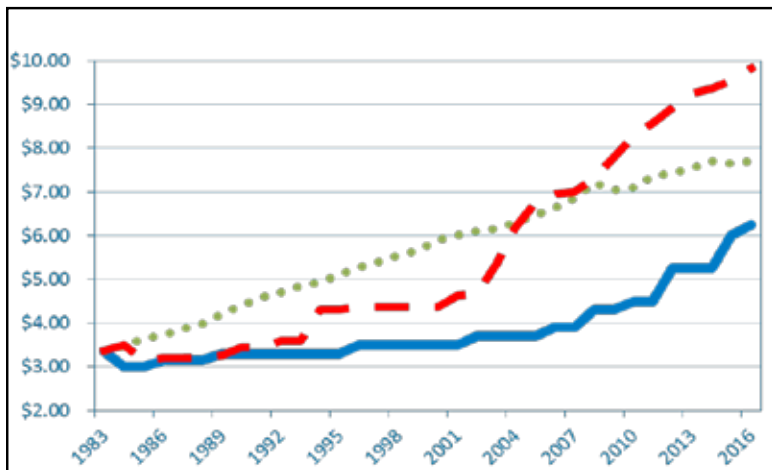
- Increase adult One-Way fares \$0.25 in all zones (2.4 percent to 7.1 percent)
- Increase adult 10-Ride fares \$2.75 in all zones (2.9 percent to 8.9 percent)
- Increase adult Monthly fares \$11.75 in all zones (4.0 percent to 12.3 percent)
- Increase reduced One-Way fares \$0.25 in all zones (5.0 percent to 16.7 percent)
- Increase reduced 10-Ride fares \$1.50 in all zones (3.3 percent to 10.5 percent)
- Increase reduced Monthly fares \$7.50 in all zones (4.3 percent to 14.0 percent)

This change would result in a net increase in fare revenue of 4.7 percent. The net increase factors 11 months of fare revenue (February - December) and a projected 1.9 percent loss in revenue due to a decline in ridership that historically follows any fare increase.

Fare tables showing fares by zone and ticket type for both options can be found in **Exhibits 22 and 23** on pages **50-51**.

Exhibit 4

**METRA ONE-WAY FARES VS. CPI AND PEERS (ZONE E)**



Metra's average fare has always been lower than its peers' average. This difference has grown over the last 26 years as its peers have raised fares by much greater amounts. Even when the higher cost of living on the East Coast is considered (Chicago is roughly 90 percent as expensive), Metra fares are much lower. In addition, Metra fares have also not kept pace with inflation. **Exhibit 4** shows the growth in the most common Metra one-way fare since 1983, as well as the growth in the consumer price index (CPI) and the growth of the average of the corresponding fares for Metra's peer railroads.

— METRA  
 ●●●●● CPI  
 - - - AVERAGE PEER FARE

Average Peer Fare includes MBTA (Boston), LIRR and MNR (New York), NJT (New Jersey), and SEPTA (Philadelphia). Data not available for all peers in all years. Consumer Price Index (CPI) and Peer Fares collected from June of each year.

**Exhibit 5** below shows a comparison of Metra monthly fares in 1990, 2010 and 2016 to those of its large peers, averaged together, for four selected zone pairs. Compared to commuter rail service in the other regions, the Chicago region has always had lower average fares. In 1990, Metra fares by zone were lower than the average of our peer agencies. Since 1990, the difference between what riders pay in this region compared to the other areas has grown considerably. For example, a monthly fare for a Zone AE Metra rider in 1990 cost about \$90, while the peer average for the same distance of travel was about \$20 more. In 2016, Metra's Zone AE rider pays \$174, while the peer average is \$257 or \$83 more. Over the last 26 years, Metra's average monthly fares increased by 83 percent, while as a group, Metra's peers' average fare increased by 142 percent.

Exhibit 5

**METRA VS. PEER MONTHLY FARES**

Monthly Tickets Fares by Selected Zone: 1990, 2010 and 2016										
Metra Zone Pair	Distance (miles)	in Effect 1990*			in Effect 2010*			in Effect 2016*		
		Metra	Avg.+	% Diff	Metra	Avg.+	% Diff	Metra	Avg.+	% Diff
AB	5.1 - 10.0	\$47	\$69	46%	\$63	\$141	122%	\$102	\$175	71%
AE	20.1 - 25.0	89	106	19%	116	216	86%	174	257	48%
AH	35.1 - 40.0	120	140	17%	153	280	84%	216	335	55%
AK	50.1 - 55.0	151	167	10%	190	352	85%	266	406	52%

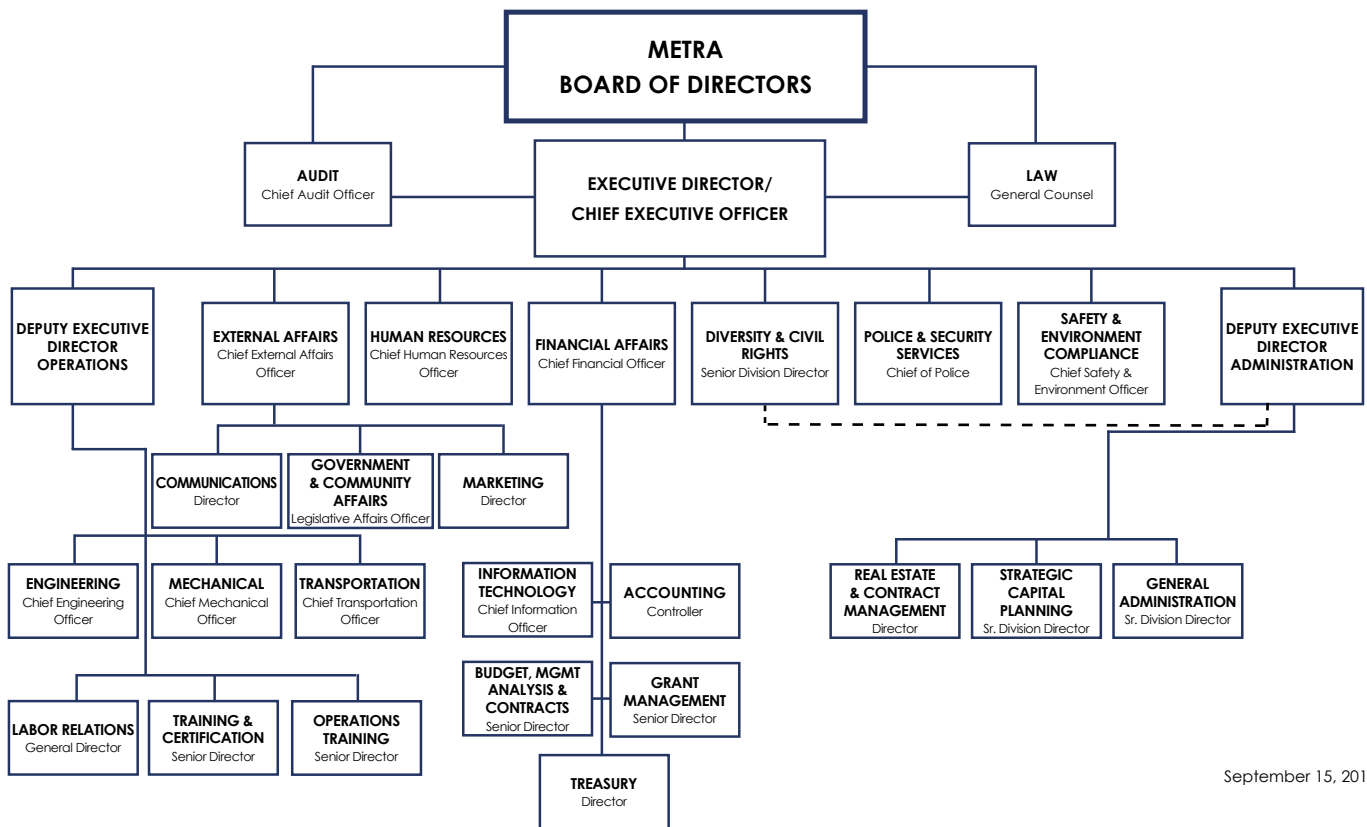
\*2016 fares effective as of 08/1/2016.

+Average of large peer agencies, not including Metra

# ORGANIZATION

Metra's operations and policies are guided by an 11-member Board of Directors. The chairmen of the Boards of the counties of DuPage, Kane, Lake, McHenry and Will each appoint one director. Four additional directors are appointed by the suburban members of the Cook County Board. One director is appointed by the president of the Cook County Board and one director is appointed by the mayor of the city of Chicago. The chairman of the Metra Board is elected by a vote of the board membership. Metra's day-to-day operations are overseen by its CEO and executive team. Metra's organizational structure is detailed in **Exhibit 6**.

Exhibit 6  
**METRA ORGANIZATIONAL UNITS**



September 15, 2016

## OPERATIONS

Metra's operations are overseen by the Deputy Executive Director, Operations, who provides executive direction and guidance to the chief officers of Engineering, Mechanical and Transportation departments as well as Labor Relations, Training and Certification and Operations Training. The division also provides executive oversight and direction to contract carriers (BNSF and Union Pacific) to ensure that rail operations are consistent with Metra's standards and practices.

## ENGINEERING

Engineering is responsible for building and maintaining the majority of Metra's fixed assets, such as buildings, stations, bridges, track, electrical, telecommunications and signal systems. The Engineering Department also monitors the condition of and assists in building and maintaining the fixed assets on the freight lines where Metra trains operate. The Engineering Department is divided into two major groups: Capital Projects and Communications and Maintenance. The department is staffed by more than 700 employees.

## MECHANICAL

Mechanical coordinates and oversees the repair, inspection, cleaning, rebuilding, replacing and maintenance of 1,180 pieces of rolling stock used in commuter service. The department's goal is to provide safe, clean and reliable service while maintaining the fleet to the standards of the Federal Railroad Administration, Association of American Railroads, American Public Transit Association and the original equipment manufacturers.

The Mechanical Department is also responsible for overseeing Metra's fleet of 463 trucks and automobiles. The department employs 650 people.

## TRANSPORTATION

Transportation is responsible for providing safe, efficient and dependable transportation to commuters on all Metra-operated lines: Milwaukee North and West, Rock Island, Metra Electric, SouthWest Service, North Central Service and Heritage Corridor and those lines operating under purchase-of-service agreements: BNSF and Union Pacific.

In addition to all employees directly involved in providing train service, the Transportation Department also oversees the Rules Department, Dispatching Office, Crew Management Center, Station Services, Customer Service, Ticket Services and GPS Center. The department is staffed by nearly 900 employees.

## LABOR RELATIONS

Metra's Labor Relations Department is charged with the responsibility for the negotiation and administration of 17 collective bargaining agreements between Metra and its employees represented by 14 unions. These responsibilities include representing Metra in arbitration with respect to minor disputes and in contract negotiations. The department's goal is to reach amicable settlements with each of these unions and avoid a major dispute as defined by the Railway Labor Act. As its core mission, Labor Relations builds and maintains productive relationships with employee representatives to ensure a professional and cooperative association that ensures continuity of service and controlled adjudication of disputes.

## TRAINING AND CERTIFICATION

Training and Certification is primarily responsible for the training of locomotive engineers, conductors and assistant conductors and other functions within the Transportation Division. The department conducts and oversees training programs that enable current employees to meet regulatory mandates and trains new employees to help them develop necessary skills.

## OPERATIONS TRAINING

Metra requires a skilled workforce practicing a variety of trades. The Operations Training Department is responsible for training employees in the Mechanical and Engineering departments: carmen, electricians, sheet metal workers, machinists, buildings and bridges, track signal and communications.

## EXTERNAL AFFAIRS

This group is divided into three sections: Marketing, Government and Community Affairs and Communications all reporting to the Chief External Affairs Officer.

## COMMUNICATIONS

The Communications Department acts as the agency's primary channel to interact with the media and various stakeholder groups across the region. The team is responsible for the distribution of information to the media regarding Metra services, policies and initiatives. Members of the department also respond to all customer emails, maintain and interact with the public via social media channels, and oversee Metra's website (metrarail.com), one of the primary vehicles the agency uses to communicate with the public on service and policy issues. The Communications team works with departments across the agency to maintain accurate and updated data on the website and to develop and integrate new content.

## MARKETING

The Marketing Department works to increase Metra's ridership base and non-fare revenues. The group is responsible for marketing promotions, business development and overseeing advertising contracts for display advertising at Metra-owned facilities and on Metra trains. The department is also responsible for Metra's print and design services and produces the agency's graphic materials. The department also creates and implements design and brand standards and manages the agency's printing contract.

## GOVERNMENT AND COMMUNITY AFFAIRS

The Government and Community Affairs Department provides strategic advice to the Metra Board, executive director and senior staff on issues relating to Metra's state and federal legislative agendas. The department also develops and implements Metra's state and federal legislative programs and communicates Metra's position on various transportation policies and legislative issues. Government and Community Affairs staff work with members and staff of the Illinois General Assembly, executive officers of the State of Illinois, Illinois Department of Transportation, the U.S. Congress and officials of federal regulatory agencies such as the U.S. Department of Transportation, Federal Railroad Administration, Federal Transit Administration and more than 200 communities in Metra's six-county service region.

## HUMAN RESOURCES

Metra's Human Resources Department's mission is to recruit and retain qualified employees in a diverse workforce; treat all employees fairly; facilitate training and professional development for career growth; effectively manage and administer compensation; negotiate and administer flexible benefit programs that provide quality and value; administer medical leaves and related services; promote wellness; provide confidential and efficient records administration; ensure that Metra's policies and procedures comply with all laws governing employment, benefits and other ancillary services; and foster an environment of trust and mutual respect with employees as well as internal and external partners. Human Resources is staffed by 30 employees.

## FINANCIAL AFFAIRS

Financial Affairs is headed by the Chief Financial Officer and divided into five groups: Treasury; General Accounting; Budget, Management Analysis and Contracts; Grant Management; and Information Technology. The core mission of these groups is to provide accurate financial information so that Metra can run its business efficiently. Together these departments employ approximately 160 people.

## TREASURY

This group, headed up by the Director of Treasury, processes all collections and disbursements made by the organization. The group also invests available operating and capital funds and forecasts cash balances and cash needs for the organization.

## GENERAL ACCOUNTING

Reporting to the Controller, this group is charged with the accurate and timely processing of transactions and production of financial statements. The group is divided into five sections: accounting, accounts payable, accounts receivable, payroll and revenue accounting.

## BUDGET, MANAGEMENT ANALYSIS AND CONTRACTS

This group is divided into three sections and reports to the Senior Director of Budget, Management Analysis and Contracts. The Budget section is charged with the accurate and timely production of annual budgets and monthly variance reporting. The Management Analysis section is charged with reviewing financial statements, operating reports and invoices from freight railroads that have purchase-of-service, track or joint facility agreements with Metra. The Contracts section is charged with the day-to-day management and periodic renegotiation of various contracts with other railroads and with utility providers.



## GRANT MANAGEMENT

This group is divided into four sections: Development, Administration, Reimbursement and Accounting. These sections report to the Senior Director, Grant Management and Accounting.

Grant Development coordinates program-level information for each project, creating detailed scope and account information suitable for funding agency grants and Metra's financial accounting system, and submitting applications for capital, operating and demonstration grants to appropriate funding agencies.

Grant Administration tracks approved grant contracts, sets up project budgets in Metra's financial accounting system, provides financial oversight in project implementation, and reports project and grant-level progress to the funding agencies.

Grant Reimbursement requests reimbursements from funding agencies for capital expenditures, closes out capital projects and grants after implementation, and provides information on grant-related activities for audits and funding agency reviews.

Grant Accounting develops and maintains records and reports related to fixed assets, depreciation, funding agency equity and capital grant receivables, and reconciles reimbursements with capital expenditures, fixed assets and other general ledger accounts.

## INFORMATION TECHNOLOGY

This group is divided into four sections: Computer Operations, Application Architecture, Network Services and Systems Development. The group reports to the Chief Information Officer.

Computer Operations is charged with maintaining, supporting and operating Metra's mainframe computer, mainframe software and security, and other centralized computer equipment.

The Application Architecture team is charged with implementing Metra's new Enterprise Resource Planning (ERP) system. Phase 1, the general ledger, was launched on Jan. 1, 2016. Phase 2 – all financial applications except revenue accounting and payroll – will go live in the second quarter of 2017, with payroll following in the fall of 2017 and revenue accounting in 2018.

The Network Services section has two distinct groups. IT Support maintains and supports the personal computers running office productivity software as well as more complex systems running specific software for computer aided design (CAD) for the Engineering Department and our point-of-sale terminals. The Network Operations team also builds and maintains the servers and storage that are replacing our mainframe, the data network, email system and disaster recovery capabilities.

The Systems Development section develops, maintains and supports all production application systems for Metra with the exception of the ERP system. This includes all mainframe and server-based applications and any interfaces with outside agencies supporting our website (metrarail.com) along with our maintenance and warranty application.

## DIVERSITY AND CIVIL RIGHTS

The Office of Diversity and Civil Rights (ODCR) is responsible for the administration of Equal Employment Opportunity (EEO), Disadvantaged Business Enterprise and Title VI programs in accordance with the mandates and regulations of the FTA and other federal, state and local government statutes. ODCR ensures managers and staff understand the importance of diversity and inclusion in the employment process through providing training in the areas of EEO and workforce diversity for staff. In addition to ensuring non-discrimination in the award and administration of Metra contracts, and make certain that all individuals have access to Metra's transit services, regardless of race, color, gender or national origin.

## POLICE AND SECURITY SERVICES

The Metra Police Department serves and protects commuters using the Metra system and protects Metra's property. The mission of the Metra Police is to safeguard the lives and property of the people they serve, to reduce the incidence and fear of crime and enhance public safety.

Metra Police work to expedite issues with the commuting public and handle of vehicle accidents and trespasser incidents on Metra railroad and property. Metra Police actively engage and work with first responders as well as local, state and federal agencies during service disruptions and partner with these agencies on security planning. Their work ensures the safety of Metra's passengers and employees and reduces train delays.



## SAFETY AND ENVIRONMENTAL COMPLIANCE

Metra's Safety and Environmental Compliance Department is responsible for the implementation, oversight and coordination of the agency's passenger and employee safety programs which are designed to promote the safest travel and working environment possible. The department oversees Metra's employee workplace safety programs and training, passenger safety programs, rail safety education and outreach programs, and emergency evacuation training for first responders. The department is also responsible for reporting all railroad incident and accident data to the appropriate federal and state regulatory agencies. The department's environmental compliance function includes inspection and testing for environmental safety (air quality, hazardous materials storage, etc.) at Metra-controlled facilities. The department also oversees environmental mitigation, employee training and the agency's hazardous waste disposal program.

## ADMINISTRATION

Metra's administrative activities are overseen by the Deputy Executive Director, Administration. The Administration Division is principally charged with providing support resources to the agency and the employees who deliver train service to our customers. The division is comprised of the Real Estate and Contract Management, Strategic Capital Planning and General Administration departments.

## REAL ESTATE AND CONTRACT MANAGEMENT

The core mission of the Real Estate and Contract Management Department is to maximize Metra's non-fare revenue and minimize its liability exposure through effective negotiation, pricing and contract administration of Metra property and real estate assets. The department's activities support the agency's core mission by participating in real estate/property acquisition for station and parking areas, managing station and vendor facilities and ensuring that utility easements placed on Metra property are in compliance with Metra's engineering standards for safe travel.

## STRATEGIC CAPITAL PLANNING

The Strategic Capital Planning group consists of three departments: Capital Program Development, Long-Range Planning and System Performance and Data.

The Capital Program Development Department develops Metra's capital program and amendments and prepares all discretionary funding grant applications.

The Long-Range Planning Department identifies new opportunities for expanding and enhancing the rail system, including line extensions, development of new routes, adding new stations on existing rail lines, and transit-oriented development in station areas. Long-Range Planning also participates in studies led by other entities that will impact Metra operations or Metra riders.

The System Performance and Data Department prepares monthly reports on system ridership, on-time performance and capacity utilization of trains. The department also manages periodic surveys, counts and analyses of Metra riders and monitors the agency's adherence to Title VI and other equity standards for the provision of transportation service.

## GENERAL ADMINISTRATION

General Administration consists of three divisions: Procurement, Professional Services/Contracts and Materials. The purpose of the department is to serve various customers within Metra by soliciting and procuring goods and services required for operations. Additionally, the department operates Metra's four storehouses, maintaining, distributing and safeguarding the inventories contained within them.

## LAW

Metra's Law Department's core mission is to provide legal guidance and support to the Board of Directors, the executive team and every other department in the organization. The department focuses on preventing legal issues at every feasible level, as well as defending the agency's position if issues arise. The Law Department supports Metra's transportation mission by guiding the agency through the myriad of restrictions and mandates of federal, state and local statutes, regulations, and ordinances. The Department is comprised of three basic divisions: General Corporate/Ethics, Litigation and Risk Management and Real Estate and Grants.

## AUDIT

The Audit Department reports to the Chief Audit Officer, who reports directly to Metra's Board of Directors and the CEO. The department is focused on operational, financial and compliance audits and the continuous review of money-handling at the highest levels of the agency. The department is committed to ensuring absolute transparency and proper conduct by all Metra employees.

## OVERSIGHT

### ILLINOIS INSPECTOR GENERAL

Effective July 1, 2011, the State Officials and Employees Ethics Act (5 ILCS 43/1-1, et seq.) as amended, applied to Metra's Board members and employees. This amendment designated the Office of Executive Inspector General for the Agencies of the Illinois Governor (the OEIG) to serve as executive inspector general for Metra and the other regional transit boards (RTA, CTA and Pace).

Complaints regarding misconduct, fraud or abuse by Metra employees and its Board of Directors can be directed to the OEIG, which can be contacted through its website, [inspectorgeneral.illinois.gov](http://inspectorgeneral.illinois.gov), its toll-free hotline (866-814-1113), TTY (888-261-2734), fax (312-814-5479) or mail OEIG, ATTN: Complaint Division, 32 W. Randolph St., Suite 1900, Chicago, IL 60601.

### CITIZENS ADVISORY BOARD

Metra's Citizens Advisory Board (CAB) is comprised of 13 residents of the region Metra serves who are appointed by members of the Metra Board and suburban mass transit districts. CAB is intended to reflect the geographic, ethnic and economic diversity of the six-county region. CAB members are appointed to two-year terms and serve without compensation.

CAB meets quarterly and provides counsel on how Metra's policies, programs and services impact their constituencies. A list of current CAB members is on page 55.



## OTHER MAJOR INITIATIVES

### STRATEGIC PLAN

Metra began the process of developing the agency's first comprehensive strategic plan in 2012 with several rounds of public input and stakeholder outreach. In the course of the development of the plan, the Metra Board of Directors approved mission and vision statements as well as strategic priorities for capital investment. Staff presented a set of draft goals for the plan at the August 2014 Metra Board meeting. Following feedback from the Board, Metra secured outside assistance to help with implementation of two of the five goals: invest in our workforce and delivery of quality customer service. Metra has made significant progress in these two goal areas and continues to work to implement the plan's three remaining goals.

In addition, Metra contracted with an outside firm in 2015 to analyze the costs and benefits of system expansion and enhancement projects that were identified in the strategic plan development process. This analysis is evaluating two tiers of projects: the first tier includes improvements to Metra existing 11 lines, while the second tier includes new lines and extensions of service. The first tier of analysis is slated for completion in late 2016 with the second tier to be completed in 2017. This process will provide Metra decision-makers with a more comprehensive set of metrics to evaluate and prioritize funding for these major projects.

### FARE STUDY

Metra is also examining whether its existing fare structure is best serving the region's needs. In July 2016, Metra hired California-based Four Nines Technologies to evaluate the current fare structure, identify opportunities for change and the potential costs of implementing changes. Areas to be reviewed include: Metra's distance-based fare zones, including the number of zones in the system; distance-based versus flat fare options; various current and prospective ticket offerings and ticket types; and ticket pricing options, such as peak and off-peak fares, discounted tickets, reduced fares and transfers. The firm will also conduct the required Federal Transit Administration (FTA) fare equity analysis and develop recommendations with an action plan.

## ICE-FUNDED PROJECTS

As part of our 2017 capital program, Metra has identified the projects slated to be funded through the RTA's Innovation, Coordination and Enhancement (ICE) Program. The program provides funding assistance to enhance the coordination and integration of public transportation and to develop and implement innovations to improve the quality and delivery of public transportation. For Metra in 2017, funded projects include customer amenities such as luminous platform signs; pilot projects for vehicle inspection systems and safety improvements such as new car and locomotive cameras; and the transition to a new revenue accounting system as part of a new Enterprise Resource Planning (ERP) system.

### 2017 ICE-Funded Projects

Luminous Platform Signs	\$0.5 m
Vehicle Inspection System	\$1.0 m
Car and Locomotive Cameras	\$1.5 m
Revenue Accounting System	\$1.9 m

## WI-FI AND CHARGING STATIONS

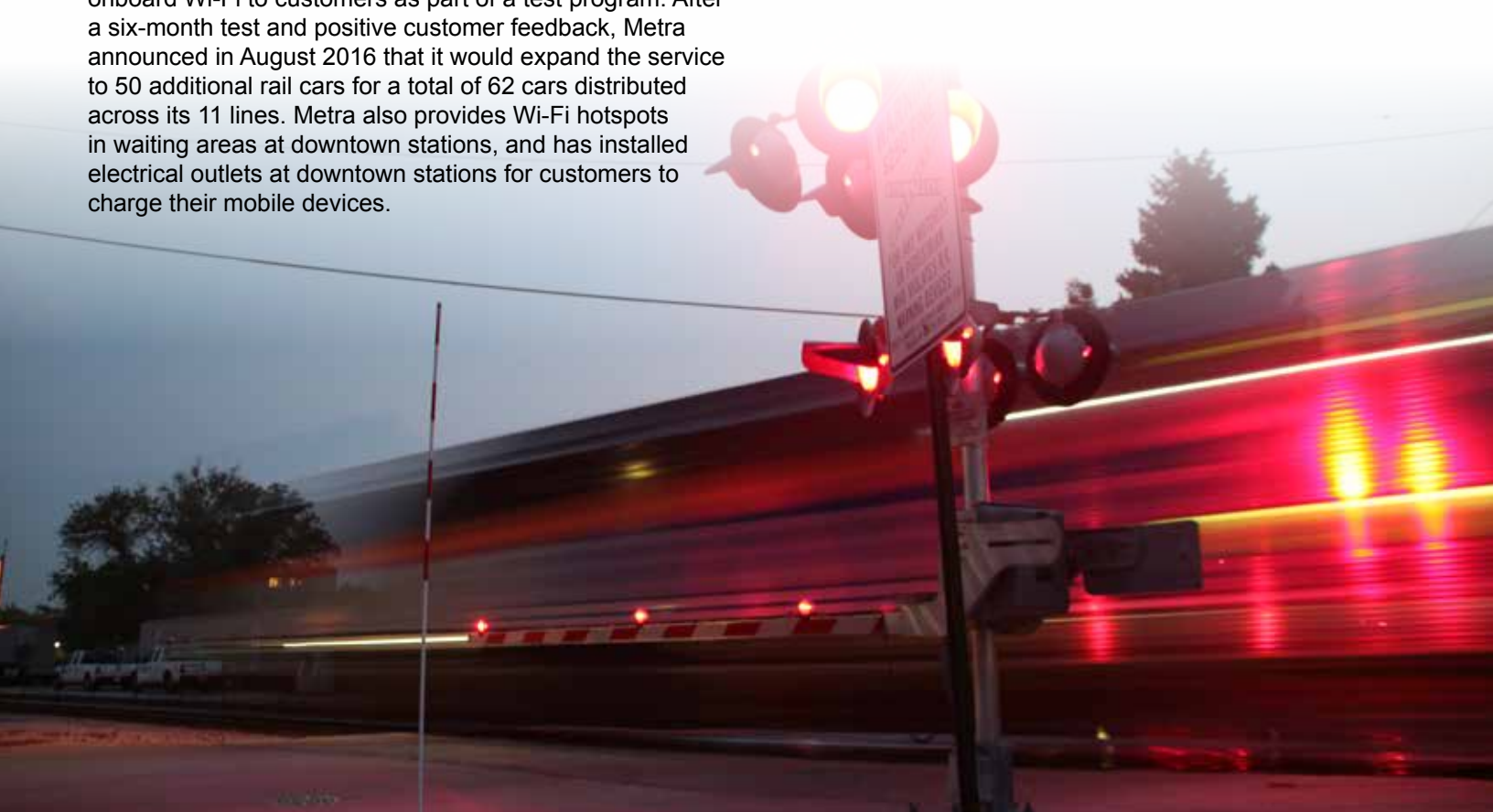
In September 2015, Metra announced plans to install Wi-Fi technology on 12 railcars by January 2016 to provide free, onboard Wi-Fi to customers as part of a test program. After a six-month test and positive customer feedback, Metra announced in August 2016 that it would expand the service to 50 additional rail cars for a total of 62 cars distributed across its 11 lines. Metra also provides Wi-Fi hotspots in waiting areas at downtown stations, and has installed electrical outlets at downtown stations for customers to charge their mobile devices.

## STATE BOND PROGRAM

The Illinois General Assembly passed bond programs in 2009 that provide up to \$1.1 billion to supplement Metra's core capital program. Metra has received grant authority for about \$800 million of the state's bond program. In June 2015, the Illinois Secretary of Transportation notified the RTA that the state does not have adequate cash to fund all of its grant agreements, suspending another \$100 million of previously awarded State Bond funds. Metra is working with the Secretary of Transportation to secure \$102 million for PTC and will continue to prioritize the suspended projects and work with the State of Illinois as funding becomes available.

## CHICAGO REGION ENVIRONMENTAL AND TRANSPORTATION EFFICIENCY (CREATE)

The Chicago Region Environmental and Transportation Efficiency (CREATE) Program is a partnership between the state of Illinois, the city of Chicago, freight railroads, Metra and Amtrak to remove and reduce train congestion throughout Chicago and the Midwest. Congestion on our rail system impacts all modes of transportation, forcing more trucks onto the highways, limiting access to airports and reducing railroad capacity.



## CAPITAL PROGRAM

Metra's 2017 capital program is funded through \$171 million in Federal Formula/State of Good Repair funds. Other funding sources that supplement Metra's capital program include \$4.0 million in federal CMAQ (Congestion Mitigation and Air Quality) funding and \$4.98 million in ICE funds. The plan also calls for increasing Metra's fares allocated to the capital program, from \$15.6 million to \$29.1 or \$32.1 million. Metra's 2017-2021 capital program tables begin on page 32 and project descriptions for Metra's 2017-2021 program are included in the Appendix of this document (pages 34-39). Funding available from current sources is shown in **Exhibit 13**, page **33**.

The RTA is providing \$67.5 million in State of Good Repair Bonds in 2017. These funds will be used for the procurement of new railcars (\$15 million) and to rehabilitate 43 railcars built in 1974 and last rehabbed in the 1990s (\$10 million). An additional \$23 million will go toward continuing the rehabilitation of the Union Pacific North Line bridges, while \$10 million will be spent on upgrading four tie stations into electric substations, allowing for faster trains on the Metra Electric Line, and \$5.5 million will go to Positive Train Control. The \$71.1 million in 2020 will be split among new gallery cars, UP North Line bridges and station improvements.

Metra must submit to the RTA a balanced one- and five-year capital program. As part of the 2017 program, 53 percent to 54 percent of the capital funding will be allocated to major capital projects, including:

Railcar rehabilitation	\$31.7 million
Locomotive rehabilitation	\$31.5 million
New railcars	\$15.0 million
Positive Train Control (PTC)	\$30.5 million
UP North Line bridges	\$23.0 million
49th St. Rehabilitation facility	\$20 million

### ROLLING STOCK

Metra's fleet consists of 149 locomotives and 845 diesel railcars as well as electric-propelled Highliner cars used on the Metra Electric District. In August 2016, Metra received the final two cars of its 160-car order for the Metra Electric Line, completing a 2010 purchase to outfit the line with a completely new and modern fleet.

Rehabilitation and replacement programs allow for our rolling stock to be modernized with better seating, lighting, climate control, bathroom facilities and electrical outlets for customers to charge their electronic items. They are critical in maintaining the service performance standards on which our customers depend.

It is critically important that Metra maintain and invest in its rolling stock in order to provide comfortable and reliable service for our customers. At a bare minimum, Metra should be allocating at least \$150 million annually towards rehabilitation and replacement of locomotives and rail cars. In fiscal year 2013, Metra allocated \$27.7 million and in 2014 Metra allocated \$45.5 million. In 2015, \$94 million was allocated for rolling stock. In 2016, \$95.6 million was allocated for rolling stock. In 2017, \$90.4 million has been allocated for rolling stock and includes car and locomotive rehabilitation program. A total of \$15 million is allocated to new railcar purchases. Metra's five-year core capital program calls for \$591.9 million for rolling stock.

### TRACK AND STRUCTURE

Track and structure are the foundation of the Metra system. Without the continual renewal of track components, retaining walls and bridges, Metra's reliable on-time service would deteriorate and the wear and tear on our railcars and locomotives would increase. Since Metra was formed, the agency has spent more than \$1 billion on track and structural replacement.

To maintain a state of good repair, Metra has established a continual cycle of inspection and renewal for its track and structures. Metra currently replaces 80,000 ties and 25 rail crossings annually. Ballast and track resurfacing is performed on a four-year cycle, and since 1980, 83 bridges on the Metra system have been replaced. However, Metra estimates that to achieve a state of good repair for these assets, Metra would need to replace or rehab eight bridges, replace 111,000 ties and replace 105 grade crossings annually. Track and structure projects highlighted in the 2017-2021 capital program include over \$184.8 million for this asset category.

## SIGNAL, ELECTRICAL AND COMMUNICATIONS

Signal, electrical and communications systems are vital to safe railroad operation. Since Metra's formation, we have invested \$796.1 million to upgrade signal systems. The Metra system has 571 highway grade crossings, 148 of them interconnected with traffic signals. The 2017-2021 program also includes \$135.1 million for signal, electrical and communication. In 2017 alone, Metra will invest \$61.7 million and of this total \$30.5 million has been allocated for PTC.

## FACILITIES AND EQUIPMENT

Metra has 24 rail yards and seven maintenance facilities. When Metra took over commuter rail operations in northeast Illinois, most of these facilities were out of date and inefficient. To date, \$565.3 million has been spent to modernize the rail yards and shops. The majority of these capital expenditures occurred more than a decade ago. In 2017, Metra is spending \$20 million to begin upgrading the 49th Street Shop on the Rock Island Line to enable additional shift work for railcar rehabilitation. Equipment and vehicles have reached the end of their useful life and must be replaced. Upgrades and expansions are also necessary to accommodate future system needs. These projects can have an immediate impact on Metra's operating budget since operating costs increase when equipment does not perform at optimum efficiency. The five-year core program includes \$120.1 million for support facilities and equipment.

## STATIONS AND PARKING

Station and parking improvements are some of the most visible capital improvements to our customers. Metra has invested \$1.1 billion since 1985 to improve our stations and parking facilities. In 2017, Metra is investing another \$7 million to rehabilitate the historic downtown Van Buren Street Station. To maintain a state of good repair, Metra estimates that we would need to rehabilitate or replace five stations and 20 platforms annually.

The majority of our station and parking projects over the past several years and going forward were funded by the State of Illinois bond programs that have now been suspended by the state. The 2017-2021 capital program allocates \$79.3 million for station and parking improvements.



## NON-CAPITAL PROGRAMS

### ADA

In compliance with the requirements of the Americans with Disabilities Act, the majority of stations on Metra's 11 lines are fully accessible to customers with disabilities. Metra has modified railcars and made accessible most of its busiest stations to accommodate individuals with hearing, vision and mobility disabilities. Metra currently has 184 fully accessible stations and 13 partially accessible stations throughout the six-county region. These represent our busiest stations used by more than 93 percent of our customer base. As a service to our customers who are disabled, Metra offers a large print system map, a braille rider and station guide and a video to acquaint customers who are disabled with the rail system.

### SAFETY FIRST

The safety of our employees, passengers and the general public is Metra's number one priority. Metra's efforts to improve safety throughout our system are overseen by our Safety Department and include numerous programs which incorporate education, engineering and enforcement activities.

In 2017, Metra will continue its partnership with Operation Lifesaver, a national organization created in 1986 to educate people of all ages on the dangers of disobeying railroad warning devices and trespassing along the railroad property. Metra has partnered with Operation Lifesaver since 1992 and offers free train safety presentations to schools, professional drivers, bus companies, community organizations and emergency responders.

Metra will also continue its Safety Poster and Essay Contest in 2017. In its 11th year, the contest, which is overseen by the Communications Department, is a key part

of our ongoing outreach to school-age children to educate them about safe behaviors near trains and railroad tracks.

In April 2015, Metra and the unions representing its Transportation Department workforce announced the creation of a “Confidential Close Call Reporting System,” (C3RS) which is designed to proactively address safety issues and create a more positive safety culture. In March 2016, Metra and 10 additional unions representing members of the Engineering, Mechanical and Police departments agreed to expand C3RS to their members. Metra became the first commuter railroad in the nation to adopt C3RS. The system, which also involves the Federal Railroad Administration and NASA, complements existing safety programs, builds a positive safety culture, creates an early warning system, focuses on problems instead of people and provides an incentive to learn from errors by targeting an issue’s root cause.

### **NON-FARE REVENUE/PARTNERSHIPS**

Metra, through its Marketing Department, actively pursues and develops partnerships to identify non-fare revenue opportunities as another way to offset operating expenditures. Marketing works with its advertising partner Clear Channel Outdoor to maximize advertising revenue opportunities on our trains and at stations. The department also directly offers advertising opportunities on the agency website, the commuter newsletter, mailing inserts and train schedules to mitigate production costs. Additional outreach targets corporate partnerships to maintain defibrillators on trains and support the school safety program. In-kind partnerships also highlight Metra service or fares to specific entertainment, sports and cultural venues that benefit both Metra and the venue partner. In 2017, Metra will continue to identify and pursue various advertisers, partnerships and sponsorships to increase non-fare revenue.

Metra also continues to generate revenue from property, such as income from parking locations that we own and

right-of-way usage by other railroads. These activities are overseen by the Real Estate Department.

### **WEBSITE**

Metra’s website receives nearly 2 million visits per month and is a primary tool for customer communication. In June 2016, Metra launched a redesigned and upgraded version of the website: metrarail.com. The launch marked the agency’s move to a new web services provider, which is expected to cut the agency’s costs for site operations by 50 percent or \$400,000 annually from the previous contract. Development costs will also be reduced due to the use of an open-source platform that will allow Metra to keep both support and development costs in-house.

The new design focuses on schedule and up-to-date travel information, the primary reasons customers visit the site. The new design also takes into account the different digital platforms our customers use with a responsive design that more easily scales web content to desktop, mobile and tablet formats and provides more prominent links to Metra’s social media channels: Facebook, Twitter, LinkedIn and YouTube.

### **MARKETING AND ADVERTISING**

In early 2016, Metra entered into a three-year, \$4 million contract with Pulsar Advertising, Inc., an advertising and marketing firm, to help the commuter railroad reimagine its brand and support its goal of adding 20,000 additional weekday passenger trips. This marks the first time in Metra’s history that the agency has hired a strategic advertising agency to revamp its marketing program with the goal of dramatically increasing ridership. Pulsar’s work for Metra includes a customer segmentation study, market research, branding services, development of a strategic marketing plan and assistance implementing the plan.



## 2017 BUDGET OVERVIEW

Metra's 2017 operating budget and 2018-2019 financial plan meet the RTA's revenue recovery ratio and deficit funding requirements. The RTA's projection of operating funding available in 2017 is 5.7 percent higher than the 2016 budget. For 2018, the RTA estimates that available funding will increase by 2.5 percent over 2017. For 2019, the RTA estimates an increase of 3.2 percent from the prior year.

The budget and financial plan presented in this document is based upon the terms of contractual agreements and reasonable estimates from currently available information. Additional information about revenues and expenses is provided on the following pages and in the Appendix pages 26-30.

For the period 2017 through 2019, expenses are estimated to increase in accordance with the terms of current contracts and agreements or with projections of market indices, as applicable. Staff will continue to examine all aspects of Metra operations, including those of the contract carriers, for cost efficiencies. All parties are expected to cut or contain costs wherever possible.





## BUDGET OVERVIEW

### PASSENGER REVENUE

Passenger revenue for 2017 is expected to be higher than the 2016 budget by \$16.1 million or 4.7 percent. This increase reflects that the 2017 Budget will receive higher funds related to a net increase in fare revenue of 5.8 percent effective Feb. 1, 2017. The increase is expected to generate approximately \$16.1 million over the 11-month period, after a \$2.0 million provision for loss in ridership due to the fare increase.

### REDUCED FARE REIMBURSEMENT

Reduced Fare Reimbursement is budgeted to be \$3.1 million for 2017, at the same level as the 2016 Budget.

### CAPITAL CREDITS, LEASES AND OTHER CONTRACTS

The 2017 budget for capital credits, leases and other contracts has been decreased by \$1.2 million or 4 percent versus 2016, reflecting an anticipated decline in billable items, primarily crossing project work on behalf of the state that is not considered a Metra asset.

### TOTAL OPERATING EXPENSES

The 2017 operating budget projects an increase of \$21.4 million or 2.8 percent compared to the 2016 budget. Train service levels are largely unchanged in both years, therefore, the budget expense increase represents projected price increases in labor, benefits, rents, materials and other costs associated with operating the service and meeting the maintenance and inspection requirements related to the equipment and infrastructure.

### OPERATIONS AND MAINTENANCE

The 2017 budget for operations and maintenance, which represents about 75 percent of Metra's operating costs, is projected to increase by \$26.5 million or 4.7 percent over 2016. This category is made up of Transportation, Engineering and Mechanical.

The transportation category includes the operation of 709 weekday trains across the system and supporting our customers with ticket and station services and police. Transportation costs are projected to increase by \$8.6 million or 3.4 percent over 2016.

The engineering category includes activities related to the inspection, repair and maintenance of 241 stations, 1,155 miles of track, 823 bridges, 2,000 signals and other infrastructure. Engineering costs are projected to increase by \$6.5 million or 4.6 percent over 2016.

The mechanical category includes activities related to the inspection, repair and maintenance of 1,200 pieces of equipment used in commuter service, consisting of locomotives, railcars and the fleet of electric cars used to operate the Metra Electric service. Mechanical costs are projected to increase by \$11.4 million or 6.7 percent over 2016.

With an aging system and the slow growth in available capital funds, more and more of the cost of maintaining the equipment and infrastructure is borne by the operating budget. While Metra is constantly looking for efficiencies and other cost-saving measures within its operations, there is an overwhelming burden related to the shortfall in the overall funding to meet a state of good repair. This consistent shortfall means that meeting the daily demands of having enough equipment and a safe infrastructure to operate at current service levels is becoming more expensive each year.

Metra's operations and maintenance budget for 2018 is projected to grow by 2.8 percent over the 2017 budget and for 2019 to grow by 2.8 percent over the 2018 plan.



## ADMINISTRATION

The 2017 budget for administration, which represents about 13.4 percent of Metra's operating costs, is projected to increase by \$5.2 million or 5.2 percent compared to 2016. For the plan years of 2018 and 2019, administration costs are projected to grow by 3.2 percent in 2018 over the 2017 budget and by 3.1 percent in 2019 over the 2018 plan.

## DIESEL FUEL

Diesel fuel for 2017 is budgeted at \$51.4 million, representing a \$9 million reduction from the 2016 budget. For 2018 and 2019, Metra's projected expense for diesel fuel is \$54.4 million and \$56.9 million, respectively.

## METRA ELECTRIC DISTRICT ELECTRICITY

Metra Electric District electricity for 2017 is budgeted at \$6.2 million, which is \$0.2 million or 3.1 percent lower than the 2016 budget. Metra is projecting price increases for 2018 and 2019 at 3.2 percent and 3.1 percent, respectively.

## CLAIMS AND INSURANCE

Claims and insurance for 2017 is budgeted at \$13.9 million, which is a \$1.5 million or 9.7 percent reduction from the 2016 budget. For 2018 and 2019, expenses in this category are projected to be \$14.3 million and \$14.7 million, respectively.

## DOWNTOWN STATIONS

For 2017, the downtown stations category, which includes charges for Chicago Union Station, LaSalle Street Station and the Ogilvie Transportation Center, is budgeted at \$16.6 million. This is a \$0.4 million increase over the 2016 budget. The station rents are covered by long-term leases that have annual inflators. Additionally, the charges include a share of the maintenance and utility costs for the facilities, which are expected to increase for 2017. For 2018 and 2019, the budget projections for this line item are \$17.1 million and \$17.6 million, respectively.

## SUMMARY

**Exhibit 9** on page 27 presents Metra's 2017 budget, while **Exhibit 10** on page 28 summarizes Metra's 2017 budget and its 2018-2019 financial plan. Metra's budget and financial plan are presented in a manner consistent with its financial statements, with adjustments in format made, as appropriate, for illustrative purposes. Revenues are recognized when earned and expenses are recorded in the period in which goods and services are used. Metra's 2017 projected cash flow summary is included in the Appendix on pages 30-31 as **Exhibit 11**.



## APPENDIX

<b>Operating Budget Comparisons</b>	<b>26</b>
<b>Calculation of 2017-2019 Farebox Recovery Ratios</b>	<b>26</b>
<b>2017 Budget by Carrier and Type of Expense</b>	<b>27</b>
<b>2017 Budget Summary and 2018-2019 Financial Plan</b>	<b>28</b>
<b>2017 Projected Cash Flow Summary</b>	<b>30</b>
<b>Capital Program 2017</b>	<b>32</b>
<b>Capital Program Sources 2017-2021</b>	<b>33</b>
<b>2017 Capital Program Project Descriptions</b>	<b>34</b>
<b>2017-2021 Capital Program</b>	<b>41</b>
<b>2017-2021 Capital Program by Asset Category</b>	<b>42</b>
<b>Physical Description</b>	<b>43</b>
<b>Operating and Service Characteristics</b>	<b>44</b>
<b>Forecasted Ridership and Vehicle Miles</b>	<b>45</b>
<b>Commuter Rail Stations by Fare Zone</b>	<b>46</b>
<b>Ridership-Related Statistics</b>	<b>48</b>
<b>Ticket Sales by Ticket Type</b>	<b>49</b>
<b>2017 Adult Fares</b>	<b>50</b>
<b>2017 Special User Fares</b>	<b>51</b>
<b>Public Notice</b>	<b>52</b>
<b>Public Hearing Schedule</b>	<b>53</b>
<b>County Board Presentations</b>	<b>53</b>
<b>Commuter Rail Board Ordinance No. MET 16</b>	<b>54</b>
<b>Notice of Title VI Protection</b>	<b>55</b>
<b>Citizens Advisory Board</b>	<b>55</b>



## Exhibit 7

**METRA OPERATING BUDGET COMPARISONS 2016 BUDGET AND 2017 BUDGET**  
(\$ in millions)

	2016 Budget	2017 Budget	Growth Amt.	%
<b>Revenues</b>				
Passenger Revenue	\$341.4	\$357.5	\$16.1	4.7%
Reduced Fare Subsidy	3.1	3.1	0.0	0.0%
Capital Credits, Leases, etc.	30.1	28.9	(1.2)	-4.0%
<b>Total Revenues</b>	<b>\$374.6</b>	<b>\$389.5</b>	<b>\$14.9</b>	<b>4.0%</b>
<b>Operating Expenses</b>				
Transportation	251.8	260.4	8.6	3.4%
Engineering	140.3	146.8	6.5	4.6%
Mechanical	169.8	181.2	11.4	6.7%
<b>Subtotal - Operations</b>	<b>\$561.9</b>	<b>\$588.4</b>	<b>\$26.5</b>	<b>4.7%</b>
Administration	99.5	104.7	5.2	5.2%
Diesel Fuel	60.4	51.4	(9.0)	-14.9%
Metra Electric District Electricity	6.4	6.2	(0.2)	-3.1%
Claims and Insurance	15.4	13.9	(1.5)	-9.7%
Downtown Stations	16.2	16.6	0.4	2.5%
<b>Total Operating Expenses</b>	<b>\$759.8</b>	<b>\$781.2</b>	<b>\$21.4</b>	<b>2.8%</b>
<b>Total Funded Deficit</b>	<b>\$385.2</b>	<b>\$391.7</b>	<b>\$6.5</b>	<b>1.7%</b>
Metra Sales Taxes	397.3	419.1	21.8	5.5%
Add: ICE Funding for Operations	1.5	1.0	(0.5)	
Add: Security Grant	2.0	3.7	1.7	0.0%
Total Funds for Operating	400.8	423.8	23.0	5.7%
Capital Fare Funding	(15.6)	(32.1)	(16.5)	105.8%
<b>Total Funds Available for Operating</b>	<b>\$385.2</b>	<b>\$391.7</b>	<b>\$6.5</b>	<b>1.7%</b>
Excess / (Shortfall) of Funds	0.0	0.0	0.0	
Recovery Ratio	52.4%	52.9%		
Recovery Ratio Additions	\$2.0	\$2.1		
Recovery Ratio Exclusions	\$40.5	\$41.0		

## Exhibit 8

**CALCULATION OF 2017 - 2019 FAREBOX RECOVERY RATIOS**  
(\$ in millions)

Year	2017	2018	2019
System-Generated Revenues	\$389.5	\$402.6	\$412.9
Additions to Recovery Ratio Revenues	2.1	2.2	2.3
Farebox Recovery Ratio Revenue	391.6	404.8	415.2
<b>Total Operating Expenses</b>	<b>\$781.2</b>	<b>\$805.0</b>	<b>\$829.0</b>
Exclusions from Recovery Ratio Expenses	41.0	41.5	42.0
<b>Farebox Recovery Ratio Expenses</b>	<b>\$740.2</b>	<b>\$763.5</b>	<b>\$787.0</b>
<b>Revenue Recovery Ratio</b>	<b>52.9%</b>	<b>53.0%</b>	<b>52.8%</b>

## Exhibit 9

**2017 BUDGET BY CARRIER AND TYPE OF EXPENSE**

(\$ in millions)

	NIRCRC	Union Pacific	BNSF Railway	Total Metra
<b>Revenues:</b>				
Passenger Revenue	\$158.2	\$128.0	\$71.3	\$357.5
Reduced Fare Subsidy	3.1	0.0	0.0	3.1
Capital Credits, Leases, etc.	28.5	0.4	0.0	28.9
<b>Total Revenues</b>	<b>\$189.8</b>	<b>\$128.4</b>	<b>\$71.3</b>	<b>\$389.5</b>
Operating Expenses				
Transportation	139.7	87.5	33.2	260.4
Engineering	94.5	46.2	6.1	146.8
Mechanical	95.9	57.8	27.5	181.2
<b>Subtotal - Operations</b>	<b>\$330.1</b>	<b>\$191.5</b>	<b>\$66.8</b>	<b>\$588.4</b>
Administration	99.7	5.0	0.0	104.7
Diesel Fuel	20.8	21.8	8.8	51.4
Metra Electric District Electricity	6.2	0.0	0.0	6.2
Claims and Insurance	13.9	0.0	0.0	13.9
Downtown Stations	8.7	1.7	6.2	16.6
<b>Total Operating Expenses</b>	<b>\$479.4</b>	<b>\$220.0</b>	<b>\$81.8</b>	<b>\$781.2</b>
<b>Total Funded Deficit</b>	<b>\$289.6</b>	<b>\$91.5</b>	<b>\$10.5</b>	<b>\$391.7</b>
Metra Sales Taxes				419.1
Add: ICE Funding for Operations				1.0
Add: Security Grant				3.7
Less: Capital Fare Funding				(32.1)
<b>Total Funds Available for Operating</b>				<b>\$391.7</b>
Excess / (Shortfall) of Funds				0.0
Revenue Recovery Ratio				52.9%
Recovery Ratio Additions				2.1
<b>Recovery Ratio Exclusions</b>				<b>\$41.0</b>

## Exhibit 10

**2017 BUDGET SUMMARY AND 2018-2019 FINANCIAL PLAN**

(\$ in millions)

	2017 Budget	% Change	2018 Plan	% Change	2019 Plan
<b>Revenues:</b>					
Passenger Revenue	\$357.5	3.1%	\$368.6	2.5%	\$377.9
Reduced Fare Subsidy	3.1	0.0%	3.1	0.0%	3.1
Capital Credits, Leases, etc.	28.9	6.9%	30.9	3.2%	31.9
<b>Total Revenues</b>	<b>389.5</b>	<b>3.4%</b>	<b>402.6</b>	<b>2.6%</b>	<b>412.9</b>
Operating Expenses					
Transportation	260.4	2.8%	267.7	2.9%	275.4
Engineering	146.8	2.7%	150.8	2.9%	155.1
Mechanical	181.2	2.8%	186.3	2.7%	191.4
<b>Subtotal - Operations</b>	<b>588.4</b>	<b>2.8%</b>	<b>604.8</b>	<b>2.8%</b>	<b>621.9</b>
Administration	104.7	3.2%	108.0	3.1%	111.3
Diesel Fuel	51.4	5.8%	54.4	4.6%	56.9
Metra Electric District Electricity	6.2	3.2%	6.4	3.1%	6.6
Claims and Insurance	13.9	2.9%	14.3	2.8%	14.7
Downtown Stations	16.6	3.0%	17.1	2.9%	17.6
<b>Total Operating Expenses</b>	<b>781.2</b>	<b>3.0%</b>	<b>805.0</b>	<b>3.0%</b>	<b>829.0</b>
<b>Total Funded Deficit</b>	<b>391.7</b>	<b>2.7%</b>	<b>402.4</b>	<b>3.4%</b>	<b>416.1</b>
Metra Sales Taxes	419.1	2.5%	429.7	3.2%	443.3
Add: ICE Funding for Operations	1.0		1.0		1.0
Add: Security Grant	3.7		3.8		3.9
Funds Available for Operating	423.8	2.5%	434.5	3.2%	448.2
Capital Fare Funding	(32.1)	0.0%	(32.1)	0.0%	(32.1)
<b>Total Funds Available for Operating</b>	<b>\$391.7</b>	<b>2.7%</b>	<b>\$402.4</b>	<b>3.4%</b>	<b>\$416.1</b>
Excess / (Shortfall) of Funds	0.0		0.0		0.0
Recovery Ratio	52.9%		53.0%		52.8%
Recovery Ratio Additions	2.1		2.2		2.3
<b>Recovery Ratio Exclusions</b>	<b>\$41.0</b>		<b>\$41.5</b>		<b>\$42.0</b>



Exhibit 11

**METRA 2017 PROJECTED CASHFLOW SUMMARY**

(\$ in millions)

	January	February	March	April	May
Beginning Balance	\$152,000	\$151,735	\$153,536	\$166,019	\$155,135
Operating Revenue	27,663	27,329	29,544	29,127	29,113
Capital Farebox Revenue	2,675	2,675	2,675	2,675	2,675
<b>Total Operating Revenue</b>	<b>30,338</b>	<b>30,004</b>	<b>32,219</b>	<b>31,802</b>	<b>31,788</b>
RTA Sales Tax Month Paid	38,563	39,061	50,001	25,203	23,598
ICE (Per RTA Schedule)	4,980	0	0	0	0
RTA Sales Tax / State PTF	43,543	39,061	50,001	25,203	23,598
Capital Grants:					
FTA	14,245	14,245	14,245	14,245	14,245
RTA	5,625	5,625	5,625	5,625	5,625
CMAP	333	333	334	333	333
<b>Subtotal</b>	<b>20,203</b>	<b>20,203</b>	<b>20,204</b>	<b>20,203</b>	<b>20,203</b>
<b>Total Cash Receipts</b>	<b>94,084</b>	<b>89,268</b>	<b>102,424</b>	<b>77,208</b>	<b>75,589</b>
Operating Expenses	66,491	64,589	67,063	65,214	64,173
<b>Total Operating Expenses</b>	<b>66,491</b>	<b>64,589</b>	<b>67,063</b>	<b>65,214</b>	<b>64,173</b>
Capital Projects:					
FTA/RTA/IDOT	25,183	20,203	20,203	20,203	20,203
Metra	2,675	2,675	2,675	2,675	2,675
<b>Total Capital Projects</b>	<b>27,858</b>	<b>22,878</b>	<b>22,878</b>	<b>22,878</b>	<b>22,878</b>
<b>Total Cash Disbursements</b>	<b>94,349</b>	<b>87,467</b>	<b>89,941</b>	<b>88,092</b>	<b>87,051</b>
<b>Ending Balance</b>	<b>\$151,735</b>	<b>\$153,536</b>	<b>\$166,019</b>	<b>\$155,135</b>	<b>\$143,673</b>



June	July	August	September	October	November	December	Total
\$143,673	\$138,932	\$137,000	\$137,975	\$141,187	\$139,496	\$141,084	
31,880	32,396	31,271	30,586	31,042	28,601	28,848	<b>357,400</b>
2,675	2,675	2,675	2,675	2,675	2,675	2,675	<b>32,100</b>
<b>34,555</b>	<b>35,071</b>	<b>33,946</b>	<b>33,261</b>	<b>33,717</b>	<b>31,276</b>	<b>31,523</b>	<b>389,500</b>
28,388	32,276	34,298	36,382	32,977	34,408	34,510	<b>409,665</b>
0	0	0	0	0	0	0	<b>4,980</b>
28,388	32,276	34,298	36,382	32,977	34,408	34,510	<b>414,645</b>
14,245	14,245	14,245	14,245	14,245	14,245	14,245	<b>170,940</b>
5,625	5,625	5,625	5,625	5,625	5,625	5,625	<b>67,500</b>
334	333	333	334	333	333	334	<b>4,000</b>
<b>20,204</b>	<b>20,203</b>	<b>20,203</b>	<b>20,204</b>	<b>20,203</b>	<b>20,203</b>	<b>20,204</b>	<b>242,440</b>
<b>83,147</b>	<b>87,550</b>	<b>88,447</b>	<b>89,847</b>	<b>86,897</b>	<b>85,887</b>	<b>86,237</b>	<b>1,046,585</b>
65,010	66,604	64,594	63,757	65,710	61,421	66,574	<b>781,200</b>
65,010	66,604	64,594	63,757	65,710	61,421	66,574	<b>781,200</b>
20,203	20,203	20,203	20,203	20,203	20,203	20,203	<b>247,416</b>
2,675	2,675	2,675	2,675	2,675	2,675	2,675	<b>32,100</b>
<b>22,878</b>	<b>22,878</b>	<b>22,878</b>	<b>22,878</b>	<b>22,878</b>	<b>22,878</b>	<b>22,878</b>	<b>279,516</b>
<b>87,888</b>	<b>89,482</b>	<b>87,472</b>	<b>86,635</b>	<b>88,588</b>	<b>84,299</b>	<b>89,452</b>	<b>\$1,060,716</b>
<b>\$138,932</b>	<b>\$137,000</b>	<b>\$137,975</b>	<b>\$141,187</b>	<b>\$139,496</b>	<b>\$141,084</b>	<b>\$137,869</b>	

Exhibit 12  
**CAPITAL PROGRAM 2017**

PE	Description	RR	Source	Amount
<b>Rolling Stock</b>				
5011	LOCOMOTIVE REHAB F59	MET	f	\$8,000,000
5101	TRACTION MOTORS	MET	f	1,700,000
4510	CAR REHAB (41 BUDD CARS)	MET	rb	10,000,000
5102	LOCOMOTIVE AND CAR IMPROVEMENTS	MET	f	2,000,000
5103	WHEEL REPLACEMENT	MET	f	3,000,000
5106	VEHICLE INSPECTION SYSTEM	MET	ri	1,000,000
4507	LOCOMOTIVE REHABILITATION (174-214)	MET	mt	18,520,000
5105	LOCOMOTIVE REHABILITATION (174-214)	MET	fc	4,000,000
5105	LOCOMOTIVE REHABILITATION (174-214)	MET	mt	1,000,000
5006	NEW GALLERY CARS PURCHASE	MET	rb	15,000,000
4909	CAR REHAB (NIPPON SHARYO P-1)	MET	f	5,625,000
5007	CAR REHAB (NIPPON SHARYO P-2)	MET	f	13,125,000
5007	CAR REHAB (NIPPON SHARYO P-2)	MET	mt	3,000,000
5010	CAR AND LOCOMOTIVE CAMERAS	MET	f	3,000,000
5010	CAR AND LOCOMOTIVE CAMERAS	MET	ri	1,500,000
<b>Rolling Stock Sub-Total</b>				<b>\$90,470,000</b>
<b>Track and Structure</b>				
5111	TIES, BALLAST and SW HEATERS	BNS	f	\$3,000,000
5112	TIES AND BALLAST	MED	f	2,500,000
5113	TIES AND BALLAST	MWD	f	1,000,000
5115	TIES AND BALLAST	UPR	f	1,500,000
5117	RAIL GRINDING	MED	f	200,000
5122	UNDERCUTTING and SURFACING	MED	f	200,000
5123	UNDERCUTTING and SURFACING (50/50)	MWD	f	300,000
5126	UNDERCUTTING and SURFACING	MWD	f	200,000
5124	UNDERCUTTING and SURFACING	RID	f	500,000
5125	UNDERCUTTING and SURFACING	UPR	f	300,000
5127	RAIL REPLACEMENT	BNS	f	1,000,000
5128	RAIL REPLACEMENT	MED	f	500,000
5129	RAIL REPLACEMENT (INTRACK WELDING 50/50)	MWD	f	1,000,000
5130	RAIL REPLACEMENT	MWD	f	1,000,000
5131	RAIL REPLACEMENT	RID	f	500,000
5132	RAIL REPLACEMENT	UPR	f	1,000,000
5120	NCS IMPROVEMENTS	NCS	mt	820,000
5133	J LINE SIDING	MWD	f	1,500,000
5134	CROSSINGS (ROAD and TRACK)	MED	f	1,000,000
5135	CROSSINGS (ROAD and TRACK)	RID	f	1,000,000
5136	CROSSINGS (ROAD and TRACK - 50/50)	MWD	f	1,200,000
5143	CROSSINGS (ROAD and TRACK)	MWD	f	1,000,000
5137	CROSSINGS (ROAD and TRACK)	UPR	f	500,000
5138	BRIDGES and RETAINING WALLS	BNS	f	1,832,000
5139	BRIDGE IMPROVEMENTS	MED	f	250,000
5140	BRIDGE IMPROVEMENTS	MWD	f	400,000
5141	BRIDGE IMPROVEMENTS	RID	f	250,000
5142	BRIDGE IMPROVEMENTS	UPR	f	500,000
2112	NORTH LINE BRIDGES (PHASED)	UPR	rb	23,000,000
5144	CATENARY STRUCTURE REHABILITATION	MED	f	1,000,000
<b>Track and Structure Sub-Total</b>				<b>\$48,952,000</b>

PE	Description	RR	Source	Amount
<b>Signal, Electrical and Communications</b>				
4343	POSITIVE TRAIN CONTROL	MET	f	\$25,000,000
4343	POSITIVE TRAIN CONTROL	MET	rb	5,500,000
5145	SIGNAL SYSTEM UPGRADES	MED	f	500,000
5146	SIGNAL SYSTEM UPGRADES	MWD	f	500,000
5147	SIGNAL SYSTEM UPGRADES	RID	f	500,000
5149	LAKE STREET INTERLOCKER	UPR	f	1,500,000
4254	TRACTION PWR SYS AUGMENT	MED	rb	10,000,000
4842	16th STREET SIGNAL	RID	f	10,000,000
5151	FIBER OPTIC	MED	f	6,000,000
5152	FIBER OPTIC	MWD	f	570,000
5153	FIBER OPTIC	RID	f	400,000
5154	RADIO DISPATCHING SYSTEM	MET	f	1,000,000
4746	IMPEDANCE BONDS	MED	f	300,000
<b>Signal, Electrical and Communications Sub-Total</b>				<b>\$61,770,000</b>
<b>Facilities and Equipment</b>				
5155	YARD IMPROVEMENTS	BNS	f	\$500,000
5156	YARD IMPROVEMENTS	MED	f	1,000,000
5157	YARD IMPROVEMENTS	MWD	f	1,000,000
4972	YARD IMPROVEMENTS	RID	f	20,000,000
5158	YARD IMPROVEMENTS	RID	f	1,000,000
5159	YARD IMPROVEMENTS	RID	f	4,000,000
5160	YARD IMPROVEMENTS	UPR	f	1,000,000
5161	RIGHT OF WAY EQUIPMENT	MET	f	1,000,000
5162	EQUIPMENT and VEHIC MECH	MET	f	1,000,000
5163	POLICE VEHICLES	MET	f	500,000
5169	STORAGE EQUIPMENT	MET	f	600,000
5164	OFFICE EQUIPMENT	MET	f	200,000
5165	IT COMPONENTS and SERVICES	MET	f	800,000
5165	IT COMPONENTS and SERVICES	MET	mt	1,100,000
5167	547 BUILDING IMPROVEMENTS	MET	f	200,000
5171	GPS/TRAIN TRACKING	MET	f	2,000,000
4368	REVENUE ACCOUNTING	MET	ri	1,930,000
4852	FINANCIAL SYSTEM REPLACEMENT	MET	f	2,400,000
5060	CCF FIRE PROTECTION	MET	f	800,000
<b>Facilities and Equipment Sub-Total</b>				<b>\$41,030,000</b>
<b>Stations and Parking</b>				
4784	VAN BUREN ST STATION	MED	f	\$7,000,000
5175	ADA IMPROVEMENTS	MET	f	3,000,000
5177	SYSTEMWIDE STATION IMPROVEMENTS	MET	f	1,000,000
5179	STATION FAC IMPROVEMENTS	MET	f9	1,500,000
5176	LUMINOUS PLATFORM SIGNS	MET	ri	550,000
4983	HOMEWOOD STATION	MED	rb	4,000,000
<b>Stations and Parking Sub-Total</b>				<b>\$17,050,000</b>

PE	Description	RR	Source	Amount
<b>Support Activities</b>				
5189	INFRASTRUCTURE ENGINEERING	MET	f	\$270,000
5190	INFRASTRUCTURE ENGINEERING	BNS	f	1,850,000
5191	INFRASTRUCTURE ENGINEERING	MED	f	1,850,000
5192	INFRASTRUCTURE ENGINEERING	MWD	f	1,850,000
5193	INFRASTRUCTURE ENGINEERING	RID	f	1,850,000
5194	INFRASTRUCTURE ENGINEERING	UPR	f	1,600,000
5195	ENGINEERING ASSET MANAGEMENT	MET	f	1,000,000
5095	METRA CAPITAL FUNDING	MET	mt	2,400,000
5196	UNANTICIPATED CAPITAL	MET	mt	2,500,000
5197	LOCALLY FUNDED PROJECTS / MATCH	MET	mt	2,760,000
5198	PROJECT ADMINISTRATION	MET	f	900,000
5199	CONTINGENCIES	MET	f	1,422,252
<b>Support Activities Sub-Total</b>				<b>20,252,252</b>
<b>Grand Totals For Uses</b>				<b>\$279,524,252</b>
Federal State of Good Repair (5337)			f3	\$89,200,636
Federal Formula (5307)			f9	81,743,616
<b>Sub-Total Federal Formula</b>			<b>f</b>	<b>170,944,252</b>
CMAQ			fc	4,000,000
RTA State of Good Repair Bonds			rb	67,500,000
RTA Innovation, Coordination and Enhancement			ri	4,980,000
Metra Farebox Capital (Additional Requests)			mt	32,100,000
<b>TOTAL FUNDING PROGRAM</b>				<b>\$279,524,252</b>

## Exhibit 13

**METRA CAPITAL PROGRAM SOURCES 2017 - 2021**

(\$ in millions)

Funding Source	2017	2018-2021	Total
Federal Base Program			
State of Good Repair (5337)/ Formula (5307)	\$171.0	\$716.5	\$887.5
<b>Sub-Total Federal Base Program</b>	<b>171.0</b>	<b>716.5</b>	<b>887.5</b>
Supplemental			0.0
Federal CMAQ	4.0	0.0	4.0
RTA Bond	67.5	71.1	138.6
RTA Innovation, Coordination and Enhancement (2017 - 2019)	4.9	10.5	15.4
Metra Farebox Capital	32.1	128.4	160.5
<b>Sub-Total Supplemental Program</b>	<b>108.5</b>	<b>210.0</b>	<b>318.5</b>
<b>Grand Total</b>	<b>\$279.5</b>	<b>\$926.5</b>	<b>\$1,206.0</b>

## 2017 CAPITAL PROGRAM PROJECT DESCRIPTIONS

### ROLLING STOCK

#### 5011 LOCOMOTIVE REHAB F59, MET

This project includes the purchase of three used locomotives and any necessary spare parts. The locomotives will be used in commuter service on various railroad lines owned or operated by Metra. Metra's spare ratio for locomotives has declined partially due to the effects of harsh winter weather on aged equipment.

#### 5101 TRACTION MOTORS-REBUILD, MET

This project funds the overhaul of locomotive traction motors and traction alternators as well as auxiliary generators and head-end-power alternators. The overhauled equipment will be used on locomotives throughout the Metra system. These traction motors and alternators were originally placed in service between 1974 and 2003 and are showing signs of deterioration. A basic overhaul is required to return these motors to an acceptable level of performance.

#### 4510 CAR REHABILITATION, MET

This project involves the life-extending rehabilitation of up to 41 commuter cars built in 1974. The Chicago and Northwestern Railroad last rehabilitated these cars between 1990 and 1993.

#### 5102 COMMUTER CAR AND LOCOMOTIVE IMPROVEMENTS, MET

This project involves various improvements to diesel-hauled and electric commuter cars, as well as locomotives. These improvements may be identified at the start of a major rehabilitation project, or during routine maintenance or inspection.

#### 5103 WHEEL REPLACEMENT, MET

This project will implement the FRA-mandated replacement of wheel sets on Metra's fleet of locomotives and railcars. The replacement wheels will be used on vehicles used throughout the Metra system as part of an ongoing program to overhaul major components on Metra's fleet.

#### 5106 VEHICLE INSPECTION SYSTEM, MET

This project would install a system on the Metra Electric Line that uses visual and ultrasonic tools to provide real-time inspection of rolling stock. The system would use strategically placed high-speed cameras and ultrasonic scanning devices to inspect rail equipment and identify issues while rolling stock is in service.

### LINE ABBREVIATIONS

Line Name	Shown as
BNSF Railway	BNS
Heritage Corridor	HC
Metra Electric District	MED
Milwaukee District	MWD
North Central Service	NCS
Rock Island District	RID
Systemwide non-line specific	MET
Union Pacific	UPR

#### 4507 LOCOMOTIVE REHABILITATION, MET

This project involves the second major rehabilitation of 42 locomotives (units 174-214) which were delivered between 1989 and 1992 and is part of an ongoing rehabilitation program. The project is expected to extend the life of the locomotives by 10 to 13 years and will reduce fuel consumption and emissions.

#### 5105 LOCOMOTIVE REHABILITATION, MET

This project involves the second major rehabilitation of 42 locomotives (units 174-214) which were delivered between 1989 and 1992 and is part of an ongoing rehabilitation program. The project is expected to extend the life of the locomotives by 10 to 13 years and will reduce fuel consumption and emissions.

#### 5006 NEW GALLERY CARS, MET

This long-term railcar program will purchase 367 new diesel cars. This purchase will be used to replace 318 cars with an average age of 43 years, increase the number of spare cars by 49 and retire the oldest cars in the fleet.

#### 4909 CAR REHAB (NIPPON SHARYO, P1)

This project involves the mid-life rehabilitation of 302 bi-level railcars delivered between 2002 and 2008. This phase consists of 11 cab cars and 19 trailer/coach cars built by the Nippon Sharyo Corporation and represents Phase 1 of a multi-phase project.

#### 5007 CAR REHAB, (NIPPON SHARYO, P-2), MET

This project involves the mid-life rehabilitation of 302 bi-level railcars delivered between 2006 and 2008. This phase consists of 11 cab cars and 19 trailer/coach cars built by

the Nippon Sharyo Corporation and represents Phase 2 of a multi-phase project.

### **5010 DVRS AND CAMERAS, MET**

This project involves the purchase of a digital video recording (DVR) system for Metra's rolling stock. The digital system will replace the 10-year old, obsolete system currently in use and will allow for video recording of railroad signal aspects and incidents.

## **TRACK AND STRUCTURE**

### **5111 TIES AND BALLAST AND SW HEATERS, BNS**

### **5112 TIES AND BALLAST, MED**

### **5113 TIES AND BALLAST, MWD**

### **5115 TIES AND BALLAST, UPR**

These projects consist of the replacement of cross ties, switch ties and ballast and are part of ongoing efforts to replace ties and ballast on all the lines where Metra service operates. Ties and ballast must be replaced periodically to maintain proper track gauge and surface. This improves the riding quality of the trains and reduces the incidence of slow orders, which negatively impact train schedules. These projects represent part of an ongoing program to replace ties and ballast throughout the commuter service.

### **5117 RAIL GRINDING, MED**

These projects consist of on-site grinding of rail that has been recently installed at various locations. Grinding removes mill scale, corrugation and corrects irregularities from field and plant welding creating a uniform rail profile. A rough rail profile can reduce the useful life of the rail and accelerate the deterioration of rolling stock.

### **5122 UNDERCUTTING AND SURFACING, MED**

### **5126 UNDERCUTTING AND SURFACING, MWD**

### **5124 UNDERCUTTING AND SURFACING, RID**

### **5125 UNDERCUTTING AND SURFACING, UPR**

Track undercutting provides for the removal, cleaning and replacement of fouled track ballast. When the ballast is fouled by mud and other debris, its load spreading capability is lost. The process is used when normal ballasting and surfacing will no longer hold a proper track surface. The results of undercutting are a smooth, well-aligned track surface, extended tie and ballast life and reduced ongoing maintenance expense.

### **5123 UNDERCUTTING AND SURFACING, MWD**

Track undercutting provides for the removal, cleaning and replacement of fouled track ballast. When the ballast is fouled by mud and other debris, its load spreading capability is lost. The process is used when normal ballasting and surfacing will no longer hold a proper track surface. The results of undercutting are a smooth, well-aligned track surface, extended tie and ballast life and reduced ongoing maintenance expense. This is a 50/50 project in partnership with the Canadian Pacific Railway.

### **5127 RAIL, BNS**

This project will provide for the installation of rail and switches on the BNSF commuter line. The project also includes the renewal of switch points at various locations as well as the replacement of switch machines and turnouts. The high density of freight and commuter traffic along the BNSF line, including extensive express service, requires close monitoring and periodic replacement of switches, switch machines and turnouts.

### **5128 RAIL, MED**

### **5130 RAIL, MWD**

### **5131 RAIL, RID**

### **5132 RAIL, UPR**

These projects consist of the installation of continuous welded rail on Metra-owned rail lines and the Union Pacific rail lines. Specific locations are to be determined. Rail requires periodic replacement to maintain track speeds and on-time performance.

### **5129 RAIL (INTRACK WELDING 50/50), MWD**

This project consists of the removal of defective rail, replacing those sections with new rail and welding the rail in-place on the Milwaukee District West Line. This will be a 50/50 project with the Canadian Pacific Railway.

### **5120 NCS IMPROVEMENTS, NCS**

This project consists of the installation of rail, ties and ballast, undercutting, and other capital improvements on the North Central Service (NCS) line.

### **5133 J LINE SIDING, MWD**

This project consists of the construction of a siding between Rondout and Libertyville on the Milwaukee District North Line. The siding will provide increased operational flexibility on a 17-mile section of single track between Rondout and Fox Lake.

### **5134 CROSSINGS (ROAD AND TRACK), MED**

### **5135 CROSSINGS (ROAD AND TRACK), RID**

### **5137 CROSSINGS (ROAD AND TRACK), UPR**

### **5143 CROSSINGS (ROAD AND TRACK), MWD**

These projects provide for the renewal of rail highway grade crossings at various locations on Metra and Union Pacific rail lines. The specific crossings to be renewed will be identified based on the stage of

deterioration. The work will include, but not be limited to, replacement of cross ties, crossing material and ballast, as well as the surfacing of the track.

### **5136 CROSSINGS (ROAD AND TRACK), MWD**

This project provides for the renewal of rail highway grade crossings at various locations on the Milwaukee District North and West lines. The specific crossings to be renewed will be identified based on the stage of deterioration. The work will include, but not be limited to, replacement of cross ties, crossing material and ballast, as well as the surfacing of the track. This is a 50/50 project in partnership with the Canadian Pacific Railway.

### **5138 BRIDGE AND RETAINING WALLS, BNS**

This project will provide for the rehabilitation of retaining walls on the BNSF commuter line. Retaining wall sections at various locations along the right-of-way will be rehabilitated. This work typically includes complete reconstruction of the wall section with steel sheet piling, concrete panels or bin wall. Retaining wall maintenance is crucial to preventing deterioration that can result in destabilization of the roadbed.

### **5139 BRIDGE IMPROVEMENTS, MED**

### **5140 BRIDGE IMPROVEMENTS, MWD**

### **5141 BRIDGE IMPROVEMENTS, RID**

### **5142 BRIDGE IMPROVEMENTS, UPR**

This project involves the rehabilitation of bridges and culverts on Metra and Union Pacific rail lines. This work typically includes complete reconstruction with steel sheet piling, concrete panels or bin wall to prevent deterioration that can result in destabilization of the roadbed.

### **2112 NORTH LINE BRIDGES, UPR**

This project involves the replacement of 11 bridges on the Union Pacific North Line in Chicago, from Grace to Balmoral streets. The scope of work includes, but is not limited to, replacement of existing stone abutments, retaining wall construction, steel spans and decks. Also, all new track work will be accomplished between the bridges, including the replacement of wood ties with concrete ties. The Ravenswood Station will be rebuilt making the station platforms ADA accessible.

### **5144 CATENARY STRUCTURE REHAB, MED**

This project involves the ongoing rehabilitation of various catenary structures on the Metra Electric District Sub Districts, all originating in Chicago: the University Park Sub District, the South Chicago Sub District, and the Blue Island Sub District. This work typically involves rehabilitating structural steel, walkways and concrete foundation pedestals. The work locations will depend on the results of condition assessments.

## **SIGNAL, ELECTRICAL AND COMMUNICATIONS**

### **4343 POSITIVE TRAIN CONTROL, MET**

This project consists of the development and installation of a federally mandated Positive Train Control (PTC) system that integrates new technology with existing train control and operating systems to enhance train operations. This system will help prevent track authority violations, speed limit violations and unauthorized entry into work zones. The system will monitor and ensure the train crew's compliance with all operating instructions, while a screen-based display will provide the train crew with additional operating

information. The system will also query wayside devices for broken rails, proper switch alignment and signal aspects in real time to provide improved train operation.

### **5145 SIGNAL SYSTEM UPGRADES, MED**

### **5146 SIGNAL SYSTEM UPGRADES, MWD**

### **5147 SIGNAL SYSTEM UPGRADES, RID**

This project will replace various signal infrastructure such as junction boxes, electrical cabinets, wiring, LED lights, etc. on an as needed basis when some part of the signal system is determined to be substandard upon inspection or failure. A large portion of Metra's signal system infrastructure in the field has become obsolete. It is also affected by the extremes of weather common to the Chicago region.

### **5149 LAKE STREET INTERLOCKER, UPR**

This project consists of the modernization and upgrading of the Lake Street interlocker at the north end of the Ogilvie Transportation Center (OTC). It will replace track, track bed, switches, switch machines, switch heaters, dwarf signals and signal cable for the remaining facilities. In the future, the interlocking control machine in Lake Street Tower will be replaced by modern equipment.

### **4254 TRACTION POWER SYSTEM AUGMENTATION, MED**

This project consists of converting four tie stations into electrical substations with substantially greater power, and installing a new prefabricated substation at 31st Street. The tie stations will be converted to substations by adding 12 Kilovolt (KV) switchgear, transformers and rectifiers. The new equipment will be housed in prefabricated metal buildings. With

these improvements, Metra's new Electric District Highliner cars will possess the electrical power required to accelerate faster, and provide sufficient traction power to allow them to increase their maximum operating speed.

#### **4842 16TH STREET INTERLOCKER, RID**

This project will replace the 16th Street interlocker with a modern solid-state automated electronic system. The 16th Street interlocking plant consists of an obsolete manual interlocker with two outdated hand lever machines built in 1901 and 1929. There are no manufacturers of spare or replacement equipment for these machines. If the interlocker fails, it is difficult and time consuming to rebuild the parts and make any repairs.

#### **5151 FIBER OPTIC, MED**

This project consists of the replacement of the coaxial cable and copper cable used to conduct voice and signal data on the Metra Electric District's South Chicago and Blue Island branches with fiber optic cable.

#### **5152 FIBER OPTIC, MWD**

#### **5153 FIBER OPTIC, RID**

This project is for the design of the installation of a fiber optic network used for the transmission of voice, signal data, corporate data, video and PTC data along the Metra Milwaukee North and West Lines and the Rock Island District. All communication lines are currently point to point leased lines from AT&T at a cost of approximately \$510,000 per year.

#### **5154 RADIO DISPATCHING SYSTEM, MET**

This project will replace the existing radio dispatching system at the Consolidated Control Facility with an upgraded system. The existing system has become obsolete and difficult to maintain.

#### **4746 IMPEDANCE BONDS, MED**

This project involves replacing impedance bonds that are damaged, defective or have insufficient negative return equipment and connections. The impedance bonds are a fundamental part of the track circuit. They control the current path and thus limit the power losses and assure proper function of the protective relays.

### **FACILITIES AND EQUIPMENT**

#### **5155 YARD IMPROVEMENTS, BNS**

This project consists of several improvements at the 14th Street Yard. Improvements will include, but not be limited to: the crew facility at 14th Street and cable reel covers.

#### **5156 YARD IMPROVEMENTS, MED**

This project will include, but not be limited to: replacing ties, crosswalks and platforms with steel-grated platforms and placing electric tubular heaters on the switch machines at the Metra Electric yards.

#### **5157 YARD IMPROVEMENTS, MWD**

Upgrades under this project will include, but are not limited to the installation of electric heating elements for switches and the installation of steel-grated boardwalks at the Western Avenue Yard. Track work would include rail, ties, ballast and switches.

#### **4972 YARD IMPROVEMENTS, RID**

This project includes but is not limited to the rehabilitation of the 49th Street Shop on the Rock Island Line to enable additional shift work for railcar and locomotive rehabilitation. Work could also include expanding office space, crew facilities and locker rooms. A transfer table could also be added.

#### **5158 YARD IMPROVEMENTS, RID**

This project involves but not limited to replacing ties, crosswalks and platforms with steel-grated platforms. Metra will purchase and install a wheel truing machine, which rotates and grinds the surface of the railcar wheel to make them smooth and even.

#### **5159 YARD IMPROVEMENTS, RID**

This project involves but is not limited to Metra installing a sprinkler system at the diesel and coach shop buildings, new 12 Kilowatt power distribution switchgear and underground duct banks. The project also includes new lighting and wayside power system in the upper yard.

#### **5160 YARD IMPROVEMENTS, UPR**

This project consists of improvements to existing yard and shop facilities at various locations on the Metra system belonging to the Union Pacific Railroad. The improvements will include but are not limited to: the continued rehabilitation of yard water, air and fueling systems. Also included will be upgrades to the car washer, the replacement of the high pressure steam boiler with a low pressure steam boiler, installation of an overhead crane at M19A and the rehabilitation of the roof also at M19A.

#### **5161 RIGHT-OF-WAY EQUIPMENT, MET**

This project involves the purchase of various pieces of equipment to be used by Metra's Engineering Department, including end loaders, track backhoes and hi-rail equipment for track inspection.

**5162 EQUIPMENT AND VEHICLES- MECHANICAL, MET**

These projects provide for the purchase and rehabilitation of vehicles and equipment to be used by Metra's Mechanical and Engineering Departments. The new vehicles and equipment will replace various pieces that have surpassed their useful life and includes vehicles for supervision of fieldwork, small pickup trucks, various forklift trucks and car movers.

**5163 POLICE VEHICLES, MET**

This project involves the purchase of vehicles to be used by Metra Police at various locations throughout the Metra system. The current equipment has reached or surpassed its useful life.

**5169 STORAGE EQUIPMENT, MET**

This project involves the purchase of storage equipment, including but not limited to vertical units and racks for the Materials Department for use at various Metra facilities.

**5164 OFFICE EQUIPMENT**

This project consists of the purchase of various pieces of equipment and office furniture that will be used at Metra storehouses and Metra's headquarters.

**5165 IT COMPONENTS AND SERVICES, MET**

This project covers a systems upgrade for information technology infrastructure at Metra headquarters to be integrated with the financial system replacement and upgrade.

**5167 547 BUILDING SYS IMPROVEMENTS, MET**

This project addresses electrical improvements at Metra's headquarters. Projects may include the installation of a stairwell pressurization system and the replacement of the building's HVAC system. All work will comply with city of Chicago building code.

**5171 GPS/TRAIN TRACKER, MET**

This project involves the replacement of the current GPS, which has exceeded its useful life. Metra will replace the GPS, on-board announcement system and signs on the entire fleet. Metra will also install automatic passenger counters and new event recorders. The new system will maintain the necessary current functions, while potentially adding video surveillance and customer information displays.

**4368 REVENUE ACCOUNTING SYSTEM, MET**

This project will provide for Metra to complete the new revenue accounting system to incorporate it into the Enterprise Resource Planning (ERP) system. This system will support electronic data exchange and be highly flexible.

**4852 FINANCIAL SYSTEM REPLACEMENT, MET**

This project will provide funding for Metra to implement an ERP system that will be compliant with current financial system "best practices." This system will support electronic data interchange, be fully extensible and upgradeable, use integrated highly flexible analytical reporting tools and support microcomputer/network-based software productivity tools.

**5060 CCF FIRE PROTECTION, MET**

This project consists of the installation of a Clean Agent Fire Suppression System that will minimize damage from a fire. The Clean Agent Fire Suppression System uses a gaseous agent rather than water to diffuse fires. It is also an innovative approach to fire protection that protect the employees, assets, records and equipment that are mission-critical to Metra.

**STATIONS AND PARKING****4784 VAN BUREN STREET STATION, MED**

This project involves rehabilitation of the Van Buren Street station facility. Work to be performed includes, but is not limited to, rehabilitating the access tunnel, stairs, elevators and other related facilities.

**5177 SYSTEMWIDE STATION IMPROVEMENTS, MET**

This project element includes, but is not limited to, the rehabilitation of Metra station facilities, more specifically the rehabilitation or replacement of roofs, masonry, door and window replacement, concrete work, floors, ceilings, lighting, drainage, stairs, guardrails, handrails, benches, shelters and canopies.

**5179 STATION FACILITY IMPROVEMENTS, MET**

This project includes the replacement and/or rehabilitation of station platforms, new lighting, and rehabilitation of access stairs, stair enclosures, shelters, and repair of warming shelters. Work to be performed may also include gatehouse/head house rehabilitation, replacement of leaking roofs, replacement of ceilings, and installation of new lighting and other related work.

**5175 ADA PLATFORMS AND RAMPS, MET**

This project is part of Metra's ongoing effort to bring train stations into compliance with the requirements of the Americans with Disabilities Act (ADA) of 1990. This project identifies the specific work that will be done to bring key stations into compliance. At these stations, existing platforms will be rehabilitated in order to allow deteriorated tactile surfaces to be replaced with the ADA-compliant truncated dome-type surfaces.



**5176 LUMINOUS PLATFORM SIGNS, MET**

The project includes the design, fabrication, installation and three years of warranty and maintenance of thin paneled, luminous platform signs at up to six Metra stations. The prototype luminous platform signs would be an innovative evolution and enhancement of Metra's existing signs.

**4983 HOMEWOOD STATION, MED**

This project involves the rehabilitation of the Homewood Station and associated intermodal facilities. The scope of work may include, but is not limited to, general tunnel rehabilitation, tunnel drainage solutions, elevator and stair improvements, addition of a pedestrian ramp into the tunnel on the west end of the station, platform improvements, warming shelter and head house improvements and improvements to the Pace and Amtrak facilities.

**SUPPORT ACTIVITIES****5189 INFRASTRUCTURE ENGINEERING, MET****5190 INFRASTRUCTURE ENGINEERING, BNS****5191 INFRASTRUCTURE ENGINEERING, MED****5192 INFRASTRUCTURE ENGINEERING, MWD****5193 INFRASTRUCTURE ENGINEERING, RID****5194 INFRASTRUCTURE ENGINEERING, UPR**

This project funds various engineering responsibilities for capital projects. Metra's Engineering Department and consultant engineers provide support to capital projects. The associated professional services include design engineering and construction management in the areas of civil, structural, electrical, mechanical, signal, communications and environmental engineering.

**5195 ENGINEERING ASSET MANAGEMENT, MET**

This project funds the continuation of Metra's comprehensive asset assessment and includes hiring a consultant to assist with the preparation of Metra's Transit Asset Management Plan as required by the Federal Transit Administration.

**5196 UNANTICIPATED CAPITAL, MET**

This project is a reserve of funds available for capital projects that arise throughout the year. Federal grant funds and other grant monies nearly always require local matching funds. Having the local match available allows Metra to better leverage federal funds when grant opportunities become available. This project will also allow Metra to fully fund capital projects out of Metra dollars.

**5197 LOCALLY FUNDED PROJECTS/MATCH, MET**

Metra farebox capital funds will be used to fund projects locally, and to provide local "matching" funds for alternate funding sources in order to supplement and advance the system's capital program needs.

**5095 METRA CAPITAL FUNDING, MET**

This project will provide Metra Capital Funding for necessary projects. They may include but not be limited to modernization projects such as rolling stock purchases, yard improvements, and PTC.

**5198 PROJECT ADMINISTRATION, MET**

This project funds the activities associated with the administration of capital grants and the projects in those grants. This includes only those labor, fringe and overhead costs covered by Metra's cost allocation plan. Examples of the types of activities associated with the administration of capital grants are budget revisions, requisitions, quarterly reports and reconciliation of expenses done at project closeout. Metra funds associated with capital grant administration are recognized as capitalized costs under Generally Accepted Accounting Principles (GAAP).

**5199 CONTINGENCIES, MET**

This project will fund both emergencies and unanticipated capital needs that arise throughout the course of the program year. Items covered under this project require immediate attention and cannot wait for inclusion in the budget for the forthcoming program year. Contingencies are necessary to fund emergency activities to prevent project and service delays.



## Exhibit 14

**2017-2021 CAPITAL PROGRAM**

(\$ in thousands)

Description	2016	2017	2018	2019	2020	Total
<b>Rolling Stock</b>						
Locomotive Improvements	\$31,520	\$41,159	\$26,000	\$33,000	\$34,000	\$165,679
Car Rehabilitation	31,750	31,442	39,625	56,000	46,500	205,317
New Rolling Stock	15,000	15,000	22,705	57,800	56,700	167,205
MU Car Improvements	0	500	500	579	579	2,158
Fleet Component Overhaul	12,200	8,564	10,000	11,000	9,800	51,564
<b>Sub-Total</b>	<b>90,470</b>	<b>96,665</b>	<b>98,830</b>	<b>158,379</b>	<b>147,579</b>	<b>591,923</b>
<b>Track and Structure</b>						
Ties and Ballast	8,000	6,000	6,250	6,500	7,000	33,750
Rail	9,520	7,365	6,215	7,115	6,787	37,002
Crossings (Road and Track)	4,200	3,825	6,725	5,000	1,525	21,275
Bridges	26,232	5,850	7,450	35,850	8,150	83,532
Retaining Wall Rehabilitation	0	500	750	750	750	2,750
Structural Upgrades	1,000	1,250	1,450	1,450	1,350	6,500
<b>Sub-Total</b>	<b>48,952</b>	<b>24,790</b>	<b>28,840</b>	<b>56,665</b>	<b>25,562</b>	<b>184,809</b>
<b>Signal, Electrical and Communications</b>						
Signal System Upgrades	1,500	1,500	1,500	0	0	4,500
Interlockings	11,500	6,000	2,000	7,000	2,400	28,900
Electrical System Improvements	18,270	5,000	15,600	1,500	900	41,270
Positive Train Control	30,500	30,000	0	0	0	60,500
<b>Sub-Total</b>	<b>61,770</b>	<b>42,500</b>	<b>19,100</b>	<b>8,500</b>	<b>3,300</b>	<b>135,170</b>
<b>Facilities and Equipment</b>						
Yard Improvements	28,500	5,500	20,750	6,353	5,353	66,456
Building Improvements	1,000	600	200	200	500	2,500
Equipment and Vehicles	9,130	8,975	5,975	4,975	4,775	33,830
Financial Systems Replacement	2,400	2,500	2,500	5,000	5,000	17,400
<b>Sub-Total</b>	<b>41,030</b>	<b>17,575</b>	<b>29,425</b>	<b>16,528</b>	<b>15,628</b>	<b>120,186</b>
<b>Stations and Parking</b>						
Stations and Parking	14,050	5,750	14,000	26,300	4,250	64,350
ADA Improvements	3,000	3,000	3,000	3,000	3,000	15,000
<b>Sub-Total</b>	<b>17,050</b>	<b>8,750</b>	<b>17,000</b>	<b>29,300</b>	<b>7,250</b>	<b>79,350</b>
<b>Support Activities</b>						
Technical Studies	10,270	12,159	12,040	5,200	5,200	44,869
Project Administration	900	1,000	1,000	1,000	1,000	4,900
Metra Capital Funding	2,400	2,400	2,400	2,400	2,400	12,000
Locally Funded Projects	2,760	2,000	2,000	2,135	3,135	12,030
Contingencies	1,423	1,577	2,246	2,162	3,665	11,073
Unanticipated Capital	2,500	2,000	2,000	1,720	1,548	9,768
<b>Sub-Total</b>	<b>20,253</b>	<b>21,136</b>	<b>21,686</b>	<b>14,617</b>	<b>16,948</b>	<b>94,640</b>
<b>Grand Total*</b>	<b>\$279,525</b>	<b>\$211,416</b>	<b>\$214,881</b>	<b>\$283,989</b>	<b>\$216,267</b>	<b>\$1,206,078</b>

\*May Not Total Due to Rounding

Exhibit 15

**2017-2021 CAPITAL PROGRAM BY ASSET CATEGORY**

(\$ in thousands)

Description	2015	2017	2018 - 2021	Total
Rolling Stock	\$94,045	\$90,470	\$501,453	\$591,923
Track and Structure	37,983	48,952	135,857	184,809
Signal, Electrical and Communications	128,500	61,770	73,400	135,170
Facilities and Equipment	44,550	41,030	79,156	120,186
Stations and Parking	8,700	17,050	62,300	79,350
Support Activities	13,470	20,253	74,387	94,640
<b>Grand Total</b>	<b>\$373,521</b>	<b>\$279,525</b>	<b>\$926,553</b>	<b>\$1,206,078</b>

*\*May Not Total Due to Rounding*

## Exhibit 16

## METRA PHYSICAL DESCRIPTION

				Number of Stations			Accessible Stations		Rolling Stock					
Carrier/Line		Location of Outlying Terminal	Downtown Terminal	Illinois	Out of State	Total	Partial	Full	Loco-motives	Trailer Cars	Cab Cars	Electric Propelled	Track Miles	Route Miles
BNSF Railway		Aurora, IL (Kane Co.)	Chicago Union Station	25	0	25	5	17	26	134	29	0	144.0	37.5
Union Pacific	North Line	Kenosha, WI (Kenosha Co.)	Ogilvie Transportation Ctr.	24	1	25	1	20					107.5	51.6
	Northwest Line	Harvard, IL (McHenry Co.)	Ogilvie Transportation Ctr.	21	0	21	0	18					161.1	63.1
	McHenry Branch	McHenry, IL (McHenry Co.)	Ogilvie Transportation Ctr.	1	0	1	0	1					8.0	7.4
	West Line	Elburn, IL (Kane Co.)	Ogilvie Transportation Ctr.	18	0	18	2	14					144.2	43.6
<b>Total</b>				<b>64</b>	<b>1</b>	<b>65</b>	<b>3</b>	<b>53</b>	<b>55</b>	<b>270</b>	<b>66</b>	<b>0</b>	<b>418.2</b>	<b>162.3</b>
Electric District	Main Line	University Park, IL (Will Co.)	Millennium Station	32	0	32	0	13					86.0	31.5
	Blue Island Branch	Blue Island, IL (Cook Co.)	Millennium Station	7	0	7	0	1					5.0	4.4
	South Chicago Branch	Chicago, IL (Cook Co.)	Millennium Station	8	0	8	0	8					11.3	4.7
<b>Total</b>				<b>47</b>	<b>0</b>	<b>47</b>	<b>0</b>	<b>22</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>186</b>	<b>102.3</b>	<b>40.6</b>
Heritage Corridor		Joliet, IL (Will Co.)	Chicago Union Station	5	0	5	0	5	3	10	4	0	78.0	37.2
Milwaukee District	North Line	Fox Lake, IL (Lake Co.)	Chicago Union Station	20	0	20	0	17					97.0	49.5
	West Line	Elgin, IL (Kane Co.)	Chicago Union Station	21	0	21	0	20					102.8	39.8
<b>Total</b>				<b>41</b>	<b>0</b>	<b>41</b>	<b>0</b>	<b>37</b>	<b>34</b>	<b>105</b>	<b>45</b>	<b>0</b>	<b>186.4</b>	<b>83.9</b>
North Central Service		Antioch, IL (Lake Co.)	Chicago Union Station	15	0	15	0	15	6	30	7	0	85.0	52.8
SouthWest Service		Manhattan, IL (Will Co.)	Chicago Union Station	12	0	12	0	12	6	30	7	0	59.3	40.8
Rock Island District	Main Line	Joliet, IL (Will Co.)	LaSalle Street Station	14	0	14	1	12					83.8	40.0
	Beverly Branch	Blue Island, IL (Cook Co.)	LaSalle Street Station	12	0	12	4	6					13.3	6.6
<b>Total</b>				<b>26</b>	<b>0</b>	<b>26</b>	<b>5</b>	<b>18</b>	<b>19</b>	<b>79</b>	<b>29</b>	<b>0</b>	<b>96.9</b>	<b>46.6</b>
Downtown Stations				5	0	5	0	5						
<b>System Totals*</b>				<b>240</b>	<b>1</b>	<b>241</b>	<b>13</b>	<b>184</b>	<b>149</b>	<b>658</b>	<b>187</b>	<b>186</b>	<b>1,154.9</b>	<b>487.5</b>

\*South Shore (NICTD) is not included.

## Exhibit 17

## METRA OPERATING AND SERVICE CHARACTERISTICS AS OF 2016

Carrier/Line		Revenue Trains			Train Miles Jul14-Jun15	Car Miles Jul14-Jun15	Average Scheduled Speeds			On-Time Performance	
		Weekday	Sat	Sun/Hol			Weekday Peak	Weekday Off-Peak	Weekend/Holiday	2014 Average	Jan-Jun15 Average
BNSF Railway		94	28	18	953,222	7,016,084	34.9	30.5	28.0	94.4%	94.5%
Union Pacific	North	70	26	18	761,969	4,374,297	30.5	28.9	30.1	97.5%	97.9%
	Northwest	65	24	15	946,308	6,305,375	33.9	32.7	34.0	96.2%	97.3%
	West	59	20	18	703,005	4,762,334	31.9	30.8	30.6	95.4%	95.0%
<b>Total</b>		<b>194</b>	<b>70</b>	<b>51</b>	<b>2,411,283</b>	<b>15,442,007</b>				<b>96.4%</b>	<b>96.8%</b>
Electric District	Main Line	79	46	20	730,508	3,821,490	23.9	22.7	22.8	96.9%	97.9%
	Blue Island	37	30	0	155,150	526,631	32.2	29.4	28.8	98.2%	98.4%
	So Chicago	54	48	20	229,256	881,198	20.2	19.7	20.4	98.3%	98.7%
<b>Total</b>		<b>170</b>	<b>124</b>	<b>40</b>	<b>1,114,914</b>	<b>5,229,318</b>				<b>97.6%</b>	<b>98.3%</b>
Heritage Corridor		7	0	0	63,222	285,531	34.3	34.3	--	90.2%	94.8%
Milwaukee District	North	60	24	20	764,997	4,697,368	32.1	30.3	31.1	94.9%	94.6%
	West	58	24	18	664,063	4,537,136	29.5	29.3	29.0	96.4%	94.7%
<b>Total</b>		<b>118</b>	<b>48</b>	<b>38</b>	<b>1,429,060</b>	<b>9,234,504</b>				<b>95.6%</b>	<b>94.6%</b>
North Central Service		22	0	0	297,649	1,353,125	34.2	33.9	--	93.8%	93.9%
SouthWest Service		30	6	0	251,356	1,831,959	27.0	27.4	28.8	94.5%	95.6%
Rock Island District		74	32	28	725,598	5,276,952	29.3	28.8	29.6	97.1%	95.9%
<b>System Totals/Averages*</b>		<b>709</b>	<b>308</b>	<b>175</b>	<b>7,246,304</b>	<b>45,669,481</b>	<b>31.4</b>	<b>29.4</b>	<b>29.2</b>	<b>96.2%</b>	<b>96.3%</b>

\*South Shore (NICTD) is not included.

## Exhibit 18

## FORECASTED RIDERSHIP AND VEHICLE MILES: 2015-2019

	2015 Actual	2016 Projected*	2017 Forecast	2018 Forecast	2019 Forecast
<b>Passenger Trips<sup>1</sup></b>					
BNSF Railway	16,400,000	16,308,000	16,200,000	16,200,000	16,200,000
Union Pacific	28,918,000	28,758,000	28,500,000	28,500,000	28,500,000
Electric District	9,055,000	8,788,000	8,700,000	8,700,000	8,700,000
Heritage Corridor	724,000	698,000	700,000	700,000	700,000
Milwaukee District	13,866,000	13,610,000	13,500,000	13,500,000	13,500,000
North Central Service	1,758,000	1,743,000	1,700,000	1,700,000	1,700,000
SouthWest Service	2,604,000	2,571,000	2,600,000	2,600,000	2,600,000
Rock Island District	8,305,000	8,142,000	8,100,000	8,100,000	8,100,000
<b>System Total**</b>	<b>81,630,000</b>	<b>80,619,000</b>	<b>80,000,000</b>	<b>80,000,000</b>	<b>80,000,000</b>
<b>Year-to-Year Change</b>		<b>-1.2%</b>	<b>-0.8%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>Passenger Miles<sup>2</sup></b>					
BNSF Railway	382,157,000	380,342,000	377,300,000	377,300,000	377,300,000
Union Pacific	624,351,000	620,013,000	615,000,000	615,000,000	615,000,000
Electric District	173,498,000	168,853,000	167,500,000	167,500,000	167,500,000
Heritage Corridor	20,042,000	19,412,000	19,300,000	19,300,000	19,300,000
Milwaukee District	325,740,000	320,962,000	318,400,000	318,400,000	318,400,000
North Central Service	55,686,000	55,219,000	54,800,000	54,800,000	54,800,000
SouthWest Service	49,667,000	49,032,000	48,600,000	48,600,000	48,600,000
Rock Island District	174,382,000	171,150,000	169,800,000	169,800,000	169,800,000
<b>System Total**</b>	<b>1,805,524,000</b>	<b>1,784,983,000</b>	<b>1,770,700,000</b>	<b>1,770,700,000</b>	<b>1,770,700,000</b>
<b>Year-to-Year Change</b>		<b>-1.1%</b>	<b>-0.8%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>Revenue Car Miles</b>					
BNSF Railway	6,306,000	6,314,000	6,300,000	6,300,000	6,300,000
Union Pacific	14,932,000	14,942,000	14,900,000	14,900,000	14,900,000
Electric District	4,816,000	4,898,000	4,900,000	4,900,000	4,900,000
Heritage Corridor	267,000	284,000	300,000	300,000	300,000
Milwaukee District	9,029,000	8,942,000	8,900,000	8,900,000	8,900,000
North Central Service	1,342,000	1,336,000	1,300,000	1,300,000	1,300,000
SouthWest Service	1,834,000	1,815,000	1,800,000	1,800,000	1,800,000
Rock Island District	4,884,000	4,941,000	4,900,000	4,900,000	4,900,000
<b>System Total**</b>	<b>43,409,000</b>	<b>43,472,000</b>	<b>43,200,000</b>	<b>43,300,000</b>	<b>43,300,000</b>
<b>Year-to-Year Change</b>		<b>0.1%</b>	<b>-0.6%</b>	<b>0.2%</b>	<b>0.0%</b>

\*Based on January-August actuals

\*\*South Shore (NICTD) is not included.

<sup>1</sup> - Based on Ticket Sales and Free Trips

<sup>2</sup> - Based on Ticket Sales but does not include Free Trips

Columns may not add exactly to System Totals due to rounding.





NORTH CENTRAL SERVICE		ROCK ISLAND MAIN		ROCK ISLAND BRANCH		SOUTHWEST SERVICE		UNION PACIFIC NORTH		UNION PACIFIC NORTHWEST		UNION PACIFIC WEST	
CUS*	0.0	LaSalle	0.0			CUS*	0.0	OTC#	0.0	OTC#	0.0	OTC#	0.0
Western Ave	2.9	35th St./"Lou" Jones	3.1					Clybourn	2.9	Clybourn	2.9	Kedzie	3.6
		Gresham	9.8					Ravenswood	6.5	Irving Park	7.0	Oak Park	8.5
								Rogers Park	9.4	Jefferson Park	9.1	River Forest	9.7
										Gladstone Park	10.1		
River Grove	11.4	95th St	10.9	Brainerd	10.6	Wrightwood	11.2	Main St	11.0	Norwood Park	11.4	Maywood	10.5
Belmont Ave	13.0	Washington Hts	12.0	91st St	11.3	Ashburn	12.6	Davis St	12.0	Edison Park	12.6	Melrose Park	11.3
Schiller Park	14.8			95th St	11.7			Central St	13.3	Park Ridge	13.5	Bellwood	12.6
				99th St	12.3			Wilmette	14.4	Dee Road	15.0	Berkeley	14.3
				103rd St	12.8								
				107th St	13.3								
				111th St	13.8								
				115th St	14.3								
				119th St	14.8								
Rosemont	15.6	Vermont St	15.7	123rd St	15.2	Oak Lawn	15.2	Kenilworth	15.2	Des Plaines	17.1	Elmhurst	15.7
O'Hare Transfer	17.1	Robbins	17.2	Prairie St	15.8	Chicago Ridge	16.8	Indian Hill	15.8	Cumberland	18.6	Villa Park	17.8
		Midlothian	18.4	Vermont St	16.5	Worth	18.2	Winnetka	16.6	Mt Prospect	20.0	Lombard	19.9
						Palos Heights	18.7	Hubbard Woods	17.7				
								Glencoe	19.2				
Prospect Heights	24.0	Oak Forest	20.4			Palos Park	20.3	Braeside	20.5	Arlington Heights	22.8	Glen Ellyn	22.4
		Tinley Park	23.5			143rd St	23.6	Ravinia	21.5	Arlington Park	24.4	College Ave	23.8
		80th Ave	25.1			153rd St	25.2	Highland Park	23.0			Wheaton	25.0
								Highwood	24.5				
Wheeling	27.2	Hickory Creek	27.5			179th St	28.9	Fort Sheridan	25.7	Palatine	26.8	Winfield	27.5
Buffalo Grove	29.5	Mokena	29.6					Lake Forest	28.3			West Chicago	29.8
Prairie View	31.6	New Lenox	34.0					Lake Bluff	30.2	Barrington	31.9		
Vernon Hills	33.0							Great Lakes	32.2				
								North Chicago	33.7				
Mundelein	36.9	Joliet	40.0			Laraway Road	35.8	Waukegan	35.9	Fox River Grove	37.3	Geneva	35.5
Prairie Crossing/ Libertyville	40.7									Cary	38.6		
Washington St	43.9					Manhattan	40.8	Zion	42.1	Pingree Road	41.7	La Fox	40.9
								Winthrop Harbor	44.5	Crystal Lake	43.2	Elburn	43.6
Round Lk Beach	45.9												
Lake Villa	48.2												
Antioch	52.8							Kenosha	51.5	McHenry	50.6		
										Woodstock	51.6		
										Harvard	63.1		

## Exhibit 20

## RIDERSHIP-RELATED STATISTICS: JULY 2015 - JUNE 2016

Carrier/Line		Passenger Loads (conductor counts)							Annual Passenger Trips *	Annual Passenger Miles **	Annual Passenger Revenue	Avg Rev Per Psngr Trip	Avg Trip Length (miles)	
		Weekday Average					Avg Saturday	Avg Sunday						Avg Week
		Peak	Reverse	Midday	Evening	Total								
BNSF Railway		50,500	3,800	6,700	4,300	65,300	14,400	8,700	349,600	16,333,100	380,645,600	\$70,783,900	\$4.33	23.3
Union Pacific	North	22,600	6,000	4,400	2,500	35,500	10,200	6,000	193,700	9,256,900	154,261,600	\$35,446,700	\$3.83	16.7
	Northwest	30,200	2,700	5,000	2,800	40,700	12,000	7,700	223,200	11,215,800	281,352,100	\$50,208,400	\$4.48	25.1
	West	21,500	1,400	2,700	1,700	27,200	6,700	5,400	148,100	8,350,900	185,562,400	\$35,906,000	\$4.30	22.2
<b>Total</b>		<b>74,300</b>	<b>10,100</b>	<b>12,100</b>	<b>7,000</b>	<b>103,400</b>	<b>28,900</b>	<b>19,100</b>	<b>565,000</b>	<b>28,823,600</b>	<b>621,176,100</b>	<b>\$121,561,100</b>	<b>\$4.22</b>	<b>21.6</b>
Electric District	Main Line	20,300	800	3,200	1,400	25,700	5,500	3,100	137,100	7,787,200	156,317,700	\$31,238,300	\$4.01	20.1
	Blue Island	1,700	200	300	100	2,300	700	0	12,200	264,300	4,342,400	\$945,900	\$3.58	16.4
	So Chicago	3,000	600	1,000	300	4,800	1,700	900	26,600	819,300	9,348,700	\$2,113,600	\$2.58	11.4
<b>Total</b>		<b>25,000</b>	<b>1,600</b>	<b>4,500</b>	<b>1,800</b>	<b>32,800</b>	<b>7,900</b>	<b>4,000</b>	<b>175,900</b>	<b>8,870,800</b>	<b>170,008,800</b>	<b>\$34,297,800</b>	<b>\$3.87</b>	<b>19.2</b>
Heritage Corridor		2,300	0	100	0	2,400	0	0	12,000	690,900	19,202,600	\$3,148,100	\$4.56	27.8
Milwaukee District	North	15,800	3,000	2,500	1,600	22,900	5,200	3,600	123,300	6,982,700	159,531,900	\$30,458,400	\$4.36	22.8
	West	17,500	1,200	2,400	1,300	22,300	5,300	3,700	120,500	6,724,400	163,108,400	\$29,441,700	\$4.38	24.3
<b>Total</b>		<b>33,300</b>	<b>4,200</b>	<b>4,900</b>	<b>2,900</b>	<b>45,200</b>	<b>10,500</b>	<b>7,300</b>	<b>243,800</b>	<b>13,707,100</b>	<b>322,640,300</b>	<b>\$59,900,100</b>	<b>\$4.37</b>	<b>23.5</b>
North Central Service		4,800	300	500	200	5,800	0	0	29,000	1,748,100	55,330,600	\$8,795,300	\$5.03	31.7
SouthWest Service		8,400	100	900	400	9,900	400	0	49,900	2,578,700	49,164,900	\$10,438,200	\$4.05	19.1
Rock Island District		25,400	500	2,800	1,100	29,800	4,200	3,000	156,200	8,201,500	172,120,200	\$33,445,900	\$4.08	21.0
<b>System Totals***</b>		<b>224,100</b>	<b>20,600</b>	<b>32,200</b>	<b>17,700</b>	<b>294,600</b>	<b>66,300</b>	<b>42,000</b>	<b>1,581,400</b>	<b>80,953,700</b>	<b>1,790,289,100</b>	<b>\$342,370,400</b>	<b>\$4.23</b>	<b>22.1</b>

Note: Columns may not add exactly to System Totals due to rounding.

\* Includes free trips

\*\* Does not include free trips

\*\*\* South Shore (NICTD) is not included.

## Exhibit 21

## TICKET SALES BY TICKET TYPE: JULY 2015 - JUNE 2016

Carrier/Line		Between Chicago, IL (Cook County) and...	Monthly	Ten-Ride	Regular One-Way	Conductor One-Way	Weekend and Special Event	Link-Up	PlusBus
BNSF Railway		Aurora, IL (Kane County)	250,700	344,600	1,045,000	361,100	239,600	9,300	11,200
Union Pacific	North	Kenosha, WI (Kenosha County)	110,700	259,900	615,500	659,200	185,600		
	Northwest	Harvard, IL (McHenry County)	156,400	233,200	869,700	517,600	269,600		
	West	Elburn, IL (Kane County)	116,400	179,200	650,500	357,400	188,100		
<b>Total</b>			<b>383,400</b>	<b>672,400</b>	<b>2,135,700</b>	<b>1,534,200</b>	<b>643,300</b>	<b>10,000</b>	<b>2,200</b>
Electric District	Main Line	University Park, IL (Will County)	108,500	150,500	935,400	247,200	100,300		
	Blue Island	Blue Island, IL (Cook County)	3,000	3,900	21,700	45,700	3,100		
	So Chicago	Chicago, IL (Cook County)	7,700	19,500	125,100	97,700	2,800		
<b>Total</b>			<b>119,200</b>	<b>173,900</b>	<b>1,082,200</b>	<b>390,700</b>	<b>106,200</b>	<b>7,000</b>	<b>500</b>
Heritage Corridor		Joliet, IL (Will County)	12,800	11,600	16,800	10,000	100	400	25
Milwaukee District	North	Fox Lake, IL (Lake County)	90,800	173,200	506,200	356,200	167,000		
	West	Elgin, IL (Kane County)	95,800	117,100	553,300	364,100	155,400		
<b>Total</b>			<b>186,600</b>	<b>290,300</b>	<b>1,059,600</b>	<b>720,300</b>	<b>322,400</b>	<b>5,900</b>	<b>600</b>
North Central Service		Antioch, IL (Lake County)	27,600	36,100	76,300	113,300	500	800	75
SouthWest Service		Manhattan, IL (Will County)	44,300	45,700	110,600	81,300	5,100	1,500	25
Rock Island District		Joliet, IL (Will County)	130,600	144,000	545,300	264,100	99,300	5,500	300
<b>System Totals*</b>			<b>1,155,200</b>	<b>1,718,700</b>	<b>6,071,600</b>	<b>3,475,000</b>	<b>1,416,500</b>	<b>40,400</b>	<b>14,900</b>

\*South Shore (NICTD) is not included.

Note: Columns may not add exactly to System Totals due to rounding.

Exhibit 22

2017 ADULT FARE SCHEDULE

Zone	Ticket	A	B	C	D	E	F	G	H	I	J	K	M
A	Monthly	\$107.00											
	Ten-Ride	33.75											
	One-Way	3.75											
B	Monthly	114.00	\$107.00							Weekend: \$8.00 On-Board Surcharge: \$5.00			
	Ten-Ride	36.00	33.75										
	One-Way	4.00	3.75										
C	Monthly	149.75	114.00	\$107.00									
	Ten-Ride	47.25	36.00	33.75									
	One-Way	5.25	4.00	3.75									
D	Monthly	171.00	149.75	114.00	\$107.00								
	Ten-Ride	54.00	47.25	36.00	33.75								
	One-Way	6.00	5.25	4.00	3.75								
E	Monthly	185.25	171.00	149.75	114.00	\$107.00							
	Ten-Ride	58.50	54.00	47.25	36.00	33.75							
	One-Way	6.50	6.00	5.25	4.00	3.75							
F	Monthly	199.50	185.25	171.00	149.75	114.00	\$107.00						
	Ten-Ride	63.00	58.50	54.00	47.25	36.00	33.75						
	One-Way	7.00	6.50	6.00	5.25	4.00	3.75						
G	Monthly	213.75	199.50	185.25	171.00	149.75	114.00	\$107.00					
	Ten-Ride	67.50	63.00	58.50	54.00	47.25	36.00	33.75					
	One-Way	7.50	7.00	6.50	6.00	5.25	4.00	3.75					
H	Monthly	228.00	213.75	199.50	185.25	171.00	149.75	114.00	\$107.00				
	Ten-Ride	72.00	67.50	63.00	58.50	54.00	47.25	36.00	33.75				
	One-Way	8.00	7.50	7.00	6.50	6.00	5.25	4.00	3.75				
I	Monthly	249.50	228.00	213.75	199.50	185.25	171.00	149.75	114.00	\$107.00			
	Ten-Ride	78.75	72.00	67.50	63.00	58.50	54.00	47.25	36.00	33.75			
	One-Way	8.75	8.00	7.50	7.00	6.50	6.00	5.25	4.00	3.75			
J	Monthly	263.75	249.50	228.00	213.75	199.50	185.25	171.00	149.75	114.00	\$107.00		
	Ten-Ride	83.25	78.75	72.00	67.50	63.00	58.50	54.00	47.25	36.00	33.75		
	One-Way	9.25	8.75	8.00	7.50	7.00	6.50	6.00	5.25	4.00	3.75		
K	Monthly	278.00	263.75	249.50	228.00	213.75	199.50	185.25	171.00	149.75	114.00	\$107.00	
	Ten-Ride	87.75	83.25	78.75	72.00	67.50	63.00	58.50	54.00	47.25	36.00	33.75	
	One-Way	9.75	9.25	8.75	8.00	7.50	7.00	6.50	6.00	5.25	4.00	3.75	
M	Monthly	306.50	292.25	278.00	263.75	249.50	228.00	213.75	199.50	185.25	171.00	149.75	\$107.00
	Ten-Ride	96.75	92.25	87.75	83.25	78.75	72.00	67.50	63.00	58.50	54.00	47.25	33.75
	One-Way	10.75	10.25	9.75	9.25	8.75	8.00	7.50	7.00	6.50	6.00	5.25	3.75

## Exhibit 23

## 2017 SPECIAL USER FARE SCHEDULE

Zone	Ticket	A	B	C	D	E	F	G	H	I	J	K	M
A	Monthly	\$61.25											
	Ten-Ride	15.75											
	One-Way	1.75											
B	Monthly	70.00	\$61.25										
	Ten-Ride	18.00	15.75										
	One-Way	2.00	1.75										
C	Monthly	87.50	70.00	\$61.25									
	Ten-Ride	22.50	18.00	15.75									
	One-Way	2.50	2.00	1.75									
D	Monthly	105.00	87.50	70.00	\$61.25								
	Ten-Ride	27.00	22.50	18.00	15.75								
	One-Way	3.00	2.50	2.00	1.75								
E	Monthly	113.75	105.00	87.50	70.00	\$61.25							
	Ten-Ride	29.25	27.00	22.50	18.00	15.75							
	One-Way	3.25	3.00	2.50	2.00	1.75							
F	Monthly	122.50	113.75	105.00	87.50	70.00	\$61.25						
	Ten-Ride	31.50	29.25	27.00	22.50	18.00	15.75						
	One-Way	3.50	3.25	3.00	2.50	2.00	1.75						
G	Monthly	131.25	122.50	113.75	105.00	87.50	70.00	\$61.25					
	Ten-Ride	33.75	31.50	29.25	27.00	22.50	18.00	15.75					
	One-Way	3.75	3.50	3.25	3.00	2.50	2.00	1.75					
H	Monthly	140.00	131.25	122.50	113.75	105.00	87.50	70.00	\$61.25				
	Ten-Ride	36.00	33.75	31.50	29.25	27.00	22.50	18.00	15.75				
	One-Way	4.00	3.75	3.50	3.25	3.00	2.50	2.00	1.75				
I	Monthly	148.75	140.00	131.25	122.50	113.75	105.00	87.50	70.00	\$61.25			
	Ten-Ride	38.25	36.00	33.75	31.50	29.25	27.00	22.50	18.00	15.75			
	One-Way	4.25	4.00	3.75	3.50	3.25	3.00	2.50	2.00	1.75			
J	Monthly	157.50	148.75	140.00	131.25	122.50	113.75	105.00	87.50	70.00	\$61.25		
	Ten-Ride	40.50	38.25	36.00	33.75	31.50	29.25	27.00	22.50	18.00	15.75		
	One-Way	4.50	4.25	4.00	3.75	3.50	3.25	3.00	2.50	2.00	1.75		
K	Monthly	166.25	157.50	148.75	140.00	131.25	122.50	113.75	105.00	87.50	70.00	\$61.25	
	Ten-Ride	42.75	40.50	38.25	36.00	33.75	31.50	29.25	27.00	22.50	18.00	15.75	
	One-Way	4.75	4.50	4.25	4.00	3.75	3.50	3.25	3.00	2.50	2.00	1.75	
M	Monthly	183.75	175.00	166.25	157.50	148.75	140.00	131.25	122.50	113.75	105.00	87.50	\$61.25
	Ten-Ride	47.25	45.00	42.75	40.50	38.25	36.00	33.75	31.50	29.25	27.00	22.50	15.75
	One-Way	5.25	5.00	4.75	4.50	4.25	4.00	3.75	3.50	3.25	3.00	2.50	1.75

## PUBLIC NOTICE

Commuter Rail Board (Metra) Public Hearings on Operating and Capital Program and Budget for Fiscal Year 2017.

PUBLIC NOTICE IS HEREBY GIVEN that the Commuter Rail Division of the Regional Transportation Authority (Metra) will hold public hearings on its Operating and Capital Program and Budget for Fiscal Year 2017 (January 1, 2017 to December 31, 2017) which could include passenger fare revenue increases. Possible changes will result in an estimated increase of 0% to 5.8% in fare revenue for February 1, 2017 to December 31, 2017. An adult one-way fare could increase \$0.00 to \$0.25 in all zones; adult ten-ride ticket could increase \$0.00 to \$2.75 in all zones; adult monthly fare ticket could increase \$0.00 to \$11.75 in all zones; one-way reduced fare ticket could increase \$0.00 to \$0.25 in all zones; ten-ride reduced fare ticket could increase \$0.00 to \$1.50 in all zones; and a monthly reduced fare ticket could increase \$0.00 to \$7.50 in all zones.

Any person may present views orally at the hearing or by submitting written material at any time, but not later than 24 hours after the conclusion of the hearings on November 3, 2016. Written comments via U.S. mail can be sent to the attention of Lisa Murphy, Assistant Secretary to the Commuter Rail Board, Room 1300, 547 West Jackson Boulevard, Chicago, Illinois 60661. Comments will also be accepted via email to [2017budgetcomments@metrarr.com](mailto:2017budgetcomments@metrarr.com) or FAXED to 312-322-7094. For budget year 2017, Metra will include a budget comment form in a special budget issue of the "On The Bi-Level" commuter newsletter. Completed newsletter forms may be mailed to the above address or dropped in one of Metra's Ticket by Mail receptacles located at Chicago Union Station, LaSalle Street Station, Ogilvie Transportation Center, Van Buren Street Station or Millennium Station. Metra will also accept comments via [facebook.com/MetraRail](https://www.facebook.com/MetraRail). All comments received will become part of the public comment document.

Copies of the Operating and Capital Programmed Budget for Fiscal Year 2017 together with the Fiscal Years 2017-2019 Financial Plan, and Fiscal Years 2017-2021 Capital Program, will be available for public inspection after October 19, 2016 at the offices of the Metra Board, Room 1300, 547 W. Jackson Boulevard, Chicago, Illinois, and in the offices of the Regional Transportation Authority, 175 West Jackson Boulevard, Chicago, Illinois. The document will be available for view on the [metrarail.com](http://metrarail.com) website on October 19, 2016 and will be available at city and village offices in the six-county northeastern Illinois region seven (7) days prior to the hearings.

Reasonable auxiliary aids or services necessary to afford an individual with a disability equal opportunity to participate will be provided. Persons requiring assistance are requested to notify Metra of their needs well in advance to provide sufficient time make these accommodations. Requests for service should be made to Katelyn Renteria at 312-322-6753.

## Exhibit 24

**FY2017 METRA  
PROGRAM AND BUDGET  
PUBLIC HEARING SCHEDULE**

## Exhibit 25

**FY2017 METRA  
PROGRAM AND BUDGET  
COUNTY BOARD PRESENTATIONS**

November 2 4:00 p.m. - 7:00 p.m.	November 3 4:00 p.m - 7:00 p.m.	Date	Time	Location
<b>South Suburban Cook County</b> Homewood Village Hall Village Board Room 2020 Chestnut Rd. Homewood	<b>Kane County</b> Kane County Government Center Building A – 1st Floor Auditorium 719 South Batavia Avenue Geneva	<b>Thursday, October 20, 2016</b>	<b>9:30 a.m.</b>	<b>Will County Board</b> County Board Room 302 N. Chicago Street Joliet
<b>North Suburban Cook County</b> Arlington Heights Village Hall Village Board Room 33 S. Arlington Heights Road Arlington Heights	<b>Will County</b> Will County Office Building County Board Room – 2nd Floor 302 N. Chicago Street Joliet	<b>Tuesday, October 25, 2016</b>	<b>10 a.m.</b>	<b>DuPage County Board</b> DuPage County Administration Building County Board Room 421 N. County Farm Road. Wheaton
<b>DuPage County</b> Clarendon Hills Village Hall Village Board Room 1 N. Prospect Avenue Clarendon Hills	<b>McHenry County</b> Crystal Lake City Hall City Council Chambers 100 W. Woodstock Street Crystal Lake	<b>Tuesday, November 1, 2016</b>	<b>9 a.m.</b>	<b>McHenry County</b> County Board Room 667 Ware Road Woodstock
<b>Lake County</b> Mundelein Village Hall 300 Plaza Circle Mundelein		<b>Friday, November 4, 2016</b>	<b>8:30 a.m.</b>	<b>Lake County Board</b> Lake County DOT Office 600 W. Winchester Road Libertyville
<b>City of Chicago*</b> Metra Board Room 547 W. Jackson Blvd. Chicago		<b>Tuesday, November 8, 2016</b>	<b>9:30 a.m.</b>	<b>Kane County Board</b> Kane County Government Center County Board Room 719 Batavia Avenue, Building A Geneva
		<b>Wednesday, November 16, 2016</b>	<b>11 a.m.</b>	<b>Cook County Board of Commissioners</b> County Building 118 N. Clark Street – 5th Floor Chicago

\*Public hearing to be webcast live at [www.metrarail.com](http://www.metrarail.com).

## COMMUTER RAIL BOARD ORDINANCE NO. MET 16-12

### 2017 OPERATING AND CAPITAL PROGRAM AND BUDGET (JANUARY 1, 2017 TO DECEMBER 31, 2017), THE 2018-2019 FINANCIAL PLAN, AND THE 2017-2021 CAPITAL PROGRAM

#### RECITALS

- A. This 2017 Operating and Capital Program and Budget (January 1, 2017 to December 31, 2017), the 2018-2019 Financial Plan, and the 2017-2021 Capital Program are based upon Regional Transportation Authority ("Authority") estimates of funds made available to the Board of Directors of the Commuter Rail Division of the Regional Transportation Authority ("Commuter Rail Board") and conform in all respects to the program and budget requirements of the Regional Transportation Authority Act (70 ILCS 3615, et seq.) ("RTA Act").
- B. The Commuter Rail Board has held at least one public hearing in each county in the metropolitan region in which Metra provides service;
- C. The Commuter Rail Board has held at least one meeting for consideration of the program and budget with the county board of each of the several counties in the metropolitan region;
- D. Metra, as a recipient of federal funds, is required to comply with the Federal Transit Administration Circular 4702.1B ("Title VI"), effective October 1, 2012, which is an updated guidance for federal recipients' compliance with Title VI of the Civil Rights Act of 1964. Under Title VI, Metra is required to conduct a fare equity analysis for any proposed fare or major service changes to ensure such changes do not result in disparate impacts on the basis of race, color, or national origin. Additionally, Metra must determine whether low-income populations will bear a disproportionate burden of the changes to fares or service; and
- E. Based upon the discussion in its October 14, 2016 Board Meeting, public comment, and Title VI equity analysis, Metra believes fare changes in the cost of one-way, ten-ride and monthly tickets (regular and reduced fare) are necessary as specified and set forth in the published 2017 budget book tables.

#### NOW, THEREFORE, BE IT ORDAINED THAT:

1. The Commuter Rail Board, having considered the fare equity analysis under Title VI, has found that the proposed Metra fare changes would not result in a disparate impact on the basis of race, color, or national origin; nor will low-income populations bear a disproportionate burden of the changes. Accordingly, the Commuter Rail Board hereby approves the fare equity analysis, as well as the fare changes set forth.
2. The Commuter Rail Board hereby approves the 2017 Operating and Capital Program and Budget (January 1, 2017 to December 31, 2017), the 2018-2019 Financial Plan, and the 2017-2021 Capital Program, copies of which are attached hereto and made a part hereof, and further authorizes their transmittal to the Board of Directors of the Authority in full compliance with Section 4.11 of the RTA Act.
3. The Executive Director/Chief Executive Officer of the Commuter Rail Division of the Regional Transportation Authority ("Commuter Rail Division") is hereby authorized and directed to take such action, as he deems necessary or appropriate to implement, administer, and enforce this Ordinance.
4. Section 4 of this Ordinance shall constitute the Annual Program of the Commuter Rail Division for services to be provided, operations to be continued or begun, and capital projects to be continued or begun during the fiscal year beginning January 1, 2017 and ending December 31, 2017. Authorization is hereby given that the programs and projects herein named may be implemented, or actions toward their implementation taken, during said fiscal year.
5. Sections 6 through 8 of this Ordinance shall constitute the Annual Budget for operations of the services ("Operations") provided by the Commuter Rail Division other than for capital projects and technical studies as provided in Sections 9 through 11 of this Ordinance for the fiscal year beginning January 1, 2017 and ending December 31, 2017. Sections 9 through 11 of this Ordinance shall constitute the Annual Budget for capital project and technical study expenditures incurred during the fiscal year beginning January 1, 2017 and ending December 31, 2017. Funds available from all sources during 2017 not identified herein for use in the operating or capital budget are to be used for potential funding shortfalls and working cash.



6. The estimated Commuter Rail Division Operating Funds expected to be available from all sources during 2017 are (in 000's):

Total Operating Revenues (excluding Capital Farebox Revenues)	\$357,400
Metra 2017 Sales Tax 1	306,253
Metra 2017 Sales Tax 2 & PTF 2 (New Transit Funding)	110,321
RTA Joint Self Insurance Fund	2,500
ICE for Operations	1,000
Transportation Security Grant	<u>3,700</u>
<b>Total Sources of Operating Funds</b>	<b>\$781,174</b>

7. The following named sums, or so much as may be necessary, are hereby appropriated for the specified use (in 000's):

<b>Operating Commuter Rail Division Services and Support</b>	<b>\$781,174</b>
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8. The following are 2017 estimates of the revenues and expenses for the Commuter Rail Division (in 000's):

Operating Revenues	\$357,400
Operating Expenses	781,174
<b>Total Funded Deficit</b>	<b>\$423,774</b>

9. The following named sum, or so much thereof as may be necessary, respectively, for capital projects and technical studies which remain unexpended as of December 31, 2016, is hereby reappropriated to meet all obligations of the Commuter Rail Division incurred during the fiscal year beginning January 1, 2017 and ending December 31, 2017 (in 000's):

<b>Total</b>	<b>\$869,151</b>
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10. The estimated Commuter Rail Division Capital Funds expected to be available from all sources to finance the 2017 Capital Program are (in 000's):

Federal Transit Administration	\$170,945
Federal Congestion Mitigation and Air Quality (CMAQ)	4,000
RTA Innovation, Coordination & Enhancement	4,980
RTA State of Good Repair Bonds	67,500
Metra 2017 Capital Farebox Revenues	<u>32,100</u>
<b>Total Sources of 2017 Capital Funds</b>	<b>\$279,525</b>

11. The following named sum, or so much thereof as may be necessary, respectively, for technical studies and capital projects, are hereby appropriated to meet all obligations of the Commuter Rail Division incurred during the fiscal year beginning January 1, 2017 and ending December 31, 2017 (in 000's):

Rolling Stock	\$90,470
Track & Structure	48,952
Signal, Electrical & Communications	61,770
Support Facilities & Equipment	41,030
Stations & Parking	17,050
Support Activities	<u>20,253</u>
<b>Total Uses of 2017 Capital Funds</b>	<b>\$279,525</b>

## TITLE VI STATEMENT

### PROTECTING YOUR RIGHTS

Metra is committed to ensuring that no one is denied participation in, or denied the benefits of, or is otherwise discriminated against in the provision of public transportation by commuter rail because of race, color, or national origin, in accordance with Title VI of the Civil Rights Act of 1964, and pursuant to 49 CFR 21.9 (d).

Metra fully complies with Title VI of the Civil Rights Act of 1964 and related statutes, executive orders, and regulations in all programs and activities.

For additional information please contact:

Metra's Office of Diversity and Civil Rights  
 Attn: Title VI Manager  
 547 W. Jackson Blvd., 5 West  
 Chicago, IL 60661  
[metradbe@metrarr.com](mailto:metradbe@metrarr.com)  
 312.322.8093 (Fax)  
 or  
 Visit our website at [www.metrarail.com](http://www.metrarail.com)

## METRA'S CITIZENS ADVISORY BOARD MEMBERSHIP

### **Patricia Mahon - Chairman**

Appointed by Director Don De Graff  
 Representing suburban Cook County

### **Thomas Brabec**

Appointed by the Chicago South Suburban  
 Mass Transit District

### **Ray Campbell**

Appointed by former Director Paul C. Darley  
 Representing DuPage County

### **Dr. Maria H. Coons**

Appointed by Director Rodney S. Craig  
 Representing suburban Cook County

### **Lawrence Falbe, Esq.**

Appointed by Chairman Norm Carlson  
 Representing Lake County

### **Glen R. Holland**

Appointed by Director Manuel Barbosa  
 Representing Kane County

### **Michelle Machay**

Appointed by former Director Brian Reaves  
 Representing Suburban Cook County

### **Jonathan F. McCabe**

Appointed by the West Suburban Mass Transit District

### **William J. Molony**

Appointed by Director Jack Partelow  
 Representing Will County

### **Robert J. Nunamaker**

Appointed by former Director Jack Schaffer  
 Representing McHenry County

### **Dave L. Walker**

Appointed by Director Marty Oberman  
 Representing the City of Chicago

### **Vacant**

Representing Suburban Cook County

# NOTES

# NOTES

# NOTES



547 West Jackson Boulevard

Chicago, Illinois 60661-5717

[metrarail.com](http://metrarail.com)