

2018 OPERATING AND CAPITAL PROGRAM AND BUDGET



Metra

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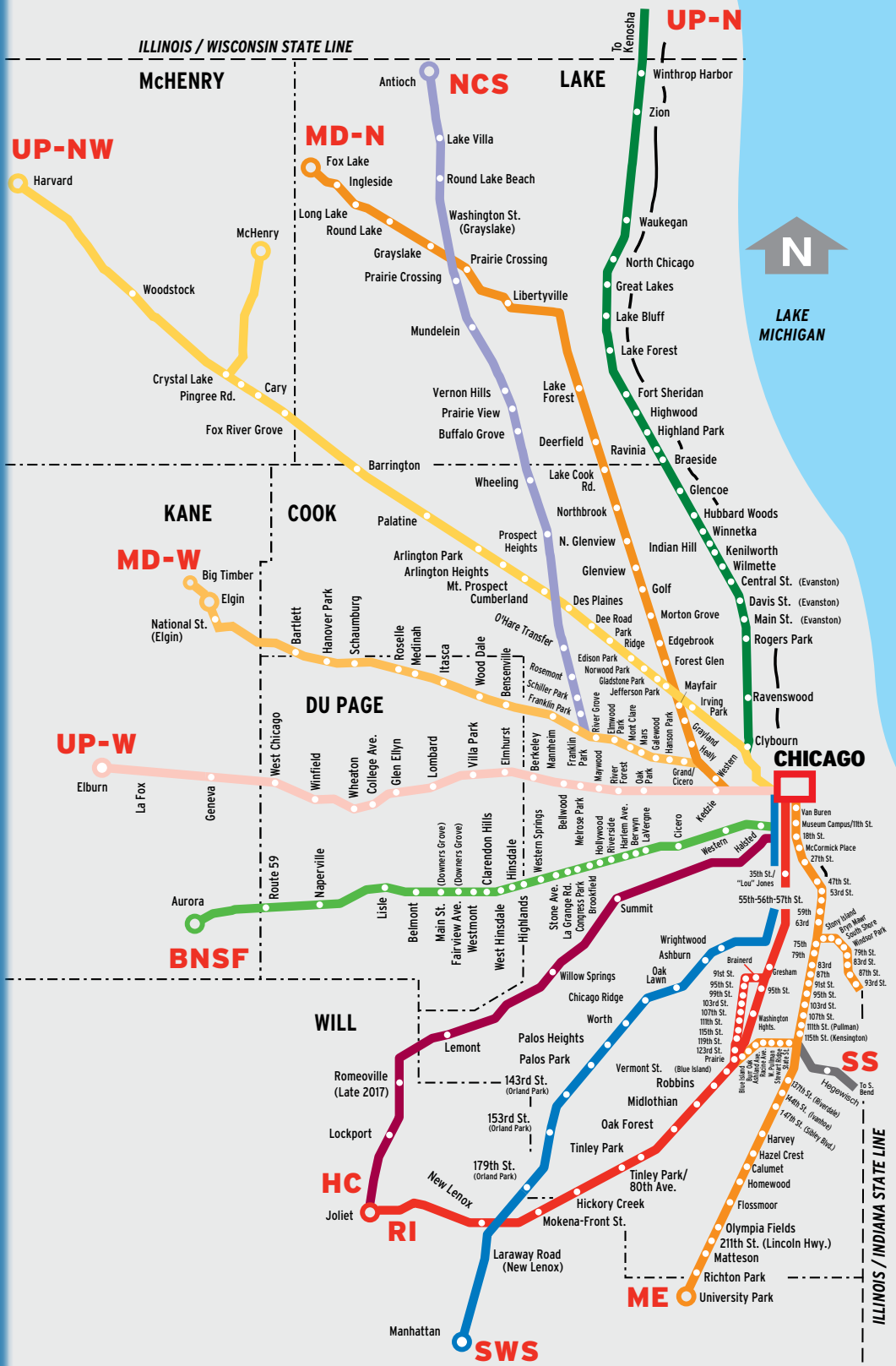
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MESSAGE FROM THE CEO/EXECUTIVE DIRECTOR AND THE BOARD OF DIRECTORS

DIFFICULT CHOICES

Metra has an unsustainable economic model and faces the worst financial crisis in its 33-year history. In addition to a chronic lack of adequate funding for capital assets, such as rolling stock and infrastructure, Metra is now faced with decreased funding for operations.

Why is Metra's current situation so critical for the people of northeast Illinois? Metra, together with the Chicago Transit Authority and Pace Suburban Bus, are the threads that hold the economic fabric of northeast Illinois together. The region is highly dependent on public transportation.

Metra's importance to the Chicago region cannot be understated. Metra provides about 300,000 passenger trips in northeast Illinois each weekday — safely, reliably and comfortably. Metra saves its riders time and money, enhances the environmental health of the region and fuels its economic engine. Metra benefits even those who do not ride its trains. If Metra did not exist, 27 more expressway lanes would be needed during rush hours to accommodate the extra vehicles and arterial roads would be clogged with traffic trying to reach those expressway lanes.

Contrary to public perception that fares cover most of our costs, the facts are just the opposite. Metra's mandate, under the RTA Act, requires it charge fares that cover approximately half of its operating costs. Metra is dependent on government funding, primarily a sales tax levied in the six-county region, for the remainder of its operating costs and on federal and state funding for virtually all of its capital needs. Combining the annual capital and operating budgets, fares presently cover about one-third of Metra's yearly costs. In fact, if adequate operating and capital funding were provided, fares would cover only one-fifth of Metra's yearly costs.

Over the last several years, public funding has not kept up with needs. Metra has been and is now receiving about a quarter of the capital funding needed annually to achieve and maintain a state of good repair on its existing system — never mind expanding or enhancing its system to address regional changes and growth. As a result, Metra has fallen behind on its maintenance investments and will continue to fall even further behind.

Railroads are very capital-intensive, requiring substantial annual investment to maintain rolling stock and infrastructure. Railroads own and maintain their own rights-of-way and track structure, unlike bus operations, which use streets that are owned and maintained by the public. Metra's capital assets are diverse and extensive: locomotives, passenger cars, track signal and communications equipment, yard and maintenance facilities, station buildings, platforms, parking lots and headquarters. Each day, the delivery of safe, reliable, efficient train service depends on these assets; though many are never seen by riders. Constant maintenance, rehabilitation and replacement, and significant funding, are required to keep Metra's facilities and equipment in working order.

Metra must make significant investment in its people in addition to its capital assets. Long-tenured, well-trained employees assure the safe transport of Metra's most precious asset: its riders. Metra must invest in people and compensate them on a level that will attract and retain them. Metra competes for talent among railroads, not government agencies.

Because capital funding has been inadequate, Metra now has the oldest commuter fleet in the nation. Approximately 40 percent of Metra's assets are classified as in marginal or worn condition. Half of the 800 bridges in Metra's system are 100 years old or older. These assets, while safe, have exceeded their useful lives. Metra will always run a safe railroad, but continued use will result in higher operating costs and degraded on-time performance.

Public funding for operating costs, provided through a regional transportation sales tax and a partial state match, is falling short. Sales tax collections have fluctuated with economic conditions and have not met projections, even after the tax was increased in 2008. In recent years the shift from purchasing at brick-and-mortar stores to internet purchases has also hurt tax collections. The public transportation fund, a match to sales tax which came from general appropriations from the state budget, has been cut 10 percent in the most recent state budget. Collections from the RTA sales tax have had a 2 percent surcharge imposed by the state. The ADA program is increasing in cost, causing less and less money from sales taxes to be made available to Metra, CTA and Pace.

Public funding for capital is also falling short. In past decades, the state recognized the need to fund capital improvements for public transportation and did so regularly. In recent years, the lack of a state bond program for capital investment has had impacts on funding for public transportation.

Metra understands it cannot continue to ask its customers to pay higher fares in the absence of adequate public funding.

The current situation is unsustainable, and threatens the future viability of the important service Metra provides. Funding levels will need to change to ensure Metra can continue to provide the service its riders depend upon, or else that service will have to be cut.

After reading this budget and program document, we hope that you clearly understand our overriding message: we cannot continue as we are. We either need to fund our public transportation properly or be willing to watch it continue to degrade, including reductions in service.

With the proper amount of sustained public investment, we can create a system with a long and bright future. It is clearly in the interest of the citizens of northeast Illinois for Metra to do so.

DONALD A. ORSENO - CEO/Executive Director
JAMES M. DERWINSKI - Incoming CEO/Executive Director
NORMAN CARLSON - Chairman of the Board

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2018 BUDGET

A PERFECT STORM

Metra is facing a \$45 million budget gap in 2018. This is the result of a combination of factors:

- (1) In an effort to better serve the region, Metra has expanded service over the years. This expanded service has not drawn the hoped for ridership and has become a larger-than-expected drain on Metra's resources.
- (2) The economic model created for Metra in the RTA Act had fares providing approximately half of Metra's operating cost and none of its capital costs; it was understood that state and federal sources would provide the difference. Recent difficult times at the state level have led to a cutback in state support for operating and capital, creating financial stress at Metra.
- (3) A slowing economy and the expansion of online retailing is leading to slow growth in the sales taxes that transit in the region depends upon for funding.
- (4) The steady growth in ADA service is consuming resources from regional sales taxes in amounts not contemplated when the RTA Act funding structure was put into place.

Change is needed to ensure the continued reliability and availability of the vital service that Metra, along with the CTA and Pace, provide.

Of the \$45 million operating funding gap requiring closure for 2018, \$13 million is the direct result of a cut in the state subsidy for public transportation and the implementation of a 2 percent surcharge on all local taxes collected by the state. Another \$2 million is attributable to lower-than-projected sales tax collections. Metra had counted on funding rising by \$10 million; instead it will fall by \$15 million, a \$25 million negative change in expected funding.

The remaining \$30 million is increased labor and benefit costs (\$23 million) as well as inflationary growth in materials and the implementation of Positive Train Control (PTC) (\$7 million). This cost increase is largely expected.

Metra had expected the \$30 million increase in costs to be offset with an approximately \$10 million funding increase, leaving a \$20 million gap. Metra had planned to deal with this \$20 million gap through efficiencies and perhaps a modest revenue action. The fact that there was a funding change of \$25 million from expected levels caused the gap to be \$45 million, not \$20 million, which necessitated much more energetic actions.

It is important to note that Metra has met or exceeded the financial objectives it had set for itself in 2017. Revenues are above budget and cost is below budget.

To achieve a balanced budget in the face of such a serious decline in funding, Metra is reducing expenses where it can.

Yet, the reality is that cuts can only take it so far. Metra, like other railroads, is a highly regulated, capital-intensive and people-intensive entity. Railroads have a very high fixed-cost structure and require more annual capital reinvestment than any other industry to maintain rolling stock and infrastructure – more than utilities or chemical and refining industries.

A railroad and its employees are also subject to a strict set of rules governing operations, maintenance and safety that are embedded in federal regulation. Constant training and continuing education are mandatory. Metra needs to continue investing in its employees and infrastructure so that it can rehabilitate its passenger cars and locomotives and continue to provide safe and reliable service.

The majority of Metra's workers are covered under multiyear contracts with 14 separate unions. These contracts are negotiated under national patterns with railroads large and small across the United States. Although it is a government agency, Metra competes for talent among railroads – the private sector – not other government agencies. Being located in the railroad capital of the United States, Metra must pay competitive wages to attract and retain a skilled workforce.

Metra has consistently worked to keep expenses in check and has been consolidating jobs in some areas. However, federal mandates, especially the implementation of Positive Train Control (PTC), have required that it hire additional people.

Metra is addressing its \$45 million operating budget shortfall through cost and service reductions (\$14 million); deferral of capital spending (\$12 million); along with a revenue increase (\$17 million) and a combination of other revenues and other funding (\$2 million). Metra understands fare increases are difficult but they are necessary when it is statutorily required to maintain a balanced operating budget. Metra must also stress that deferral of capital expenditures is also not a sustainable practice.

In 2018, Metra will continue to reduce costs, planning to achieve \$9 million in efficiencies, including targeted personnel reductions/hiring freezes. Metra also plans to lower utility costs and cut spending on advertising and marketing. For the first time in our history, Metra is planning to contain costs by cutting train service. Optimizing train schedules by diminishing underused service and moving trains to when and where the customers are should save another \$3 million.

Absent increased state funding for both operating and capital costs, Metra will need to continue on the path of cost cutting, service adjustments and fare increases.

OPERATIONS FUNDING

Metra's operating budget pays for its day-to-day operating costs. It is comprised of roughly half fare revenue and half government funding. The bulk of this government funding is provided through the RTA sales tax imposed in the six-county northeast Illinois region and a state match to these taxes. Metra's budget, by law, must be balanced each year.

When the RTA sales tax was originally enacted in the 1980s, most of Metra's tax base consisted of goods being purchased by consumers at brick-and-mortar stores. Today our economy is becoming much more service-based, and many of the goods that are being purchased locally are now being bought on the internet, where local sales taxes may not be collected. The result is that less and less of our economy is subject to the RTA sales tax, diminishing the tax base supporting transit.

In addition, the state of Illinois' FY2018 budget included a 10 percent cut in funding provided through the Public Transportation Fund. This reduces funding to Metra by

\$4 million in 2017 and \$4 million in 2018. The state's 2018 budget also included a 2 percent collection surcharge on all local sales tax collections, further trimming Metra's 2017 and 2018 funding estimates by \$9 million in each year (\$18 million total). The funding cuts are split because Metra's fiscal year matches the calendar year while the state's fiscal year is July 1 through June 30.

Combined with lower-than-projected growth in sales tax collections, Metra's funding projections have been reduced by \$15 million from 2017 to 2018, or from \$420 million (2017) to \$405 million (2018). **Exhibit 1** below shows how increases in public funding have declined in recent years.

Given this situation, Metra increase fares in 2018, which will raise \$17.2 million to be used to fund the shortfall in operating funds.

Exhibit 1

RTA PUBLIC FUNDING MARKS 2012-2018 BUDGET AND 2019-2020 PLAN

(\$ in millions)

	2012	2013	2014	2015	2016	2017*	2018* Budget	2019* Plan	2020* Plan
Funding Marks	\$337.5	349.7	365.4	377.7	397.3	420	405	418	429
Difference Year on Year		\$12.2	15.7	12.3	19.6	22.7	(15)	13	11

* estimates

CAPITAL FUNDING

Metra's capital budget, which pays for infrastructure and rolling stock rehabilitation and replacement, is mostly funded with federal, state and local grants. Our needs far exceed the level of funding presently available from those traditional sources.

Because available capital funds are falling so short, Metra has been raising fares in recent years not for operations but to create more revenue for our capital needs. The increased capital funding from fares has helped, but it has not even come close to covering the funding gap. Metra needs to be investing \$1.2 billion a year to achieve and maintain a state of good repair on its system. Metra's 2017 capital program budget was \$321.8 million and for 2018, our capital program falls even further behind at \$196.8 million.

Part of the problem on the capital side is that the state

has not approved a new bond program for infrastructure since 2009. In addition, the state reduced by \$265 million the allotment Metra expected to receive from that 2009 program.

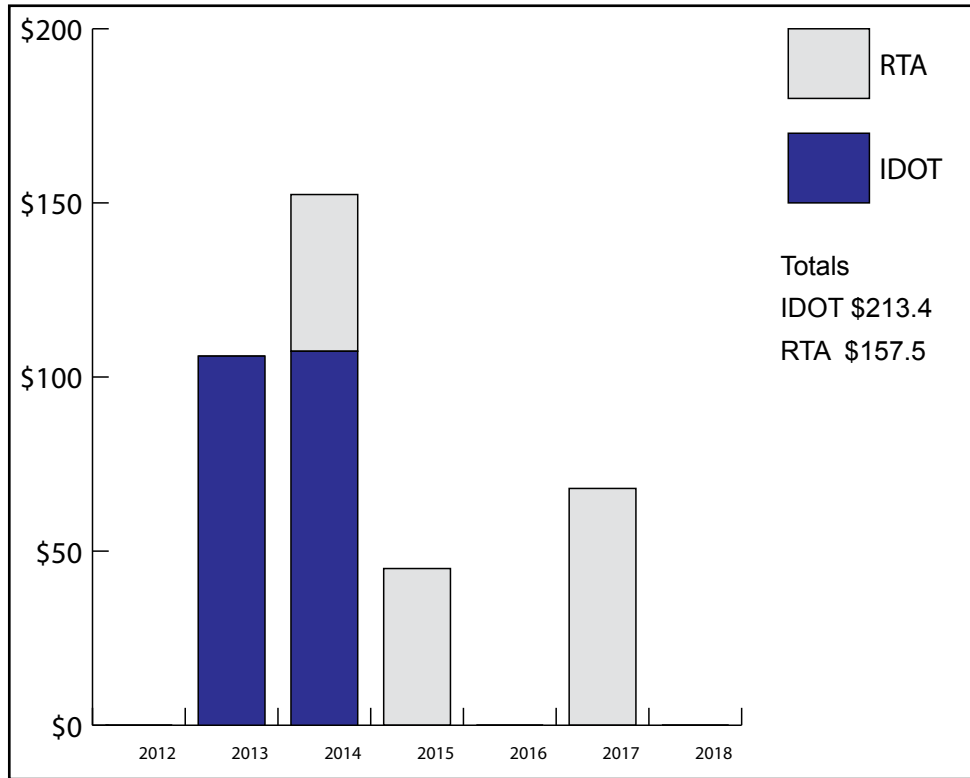
Adding to the pressure on our capital program, Congress has mandated that we install PTC, a safety system that will ultimately cost us about \$400 million. Although we recently received a \$20.2 million federal PTC grant, we have to pay for the rest out of regular, already inadequate, capital sources. We've spent more than \$148 million on PTC so far. All of the fare increases Metra has imposed since 2013 don't add up to \$148 million. Cumulatively, the 2015, 2016 and 2017 fare increases total \$106.2 million.

Exhibit 2 (page 5) shows state and RTA bond funding levels from 2012 through 2018. Inconsistent and unreliable levels of funding make it difficult for Metra to effectively budget and plan a capital renewal program.

Exhibit 2

STATE AND RTA BOND FUNDING 2012-2018*

(\$ in millions)



* Funds are shown in the year programmed, not the year received.

MODERNIZATION PLAN

In 2015, Metra unveiled a modernization plan for the installation of PTC and the replacement and rehabilitation of aging locomotives and railcars. Metra proposed to fund the plan with \$700 million in expected state and federal funding and \$400 million in borrowing to be repaid through higher fares, plus another \$1.3 billion that it hoped to secure – most likely from a new state bond program. However, the needed additional funding never materialized. The state also reduced by \$265 million bond money Metra was expecting to receive from the 2009 program, some of which was earmarked for the modernization plan.

Despite the lack of a new state bond program, Metra has used its existing resources and fare increases to continue to aggressively rehabilitate railcars and locomotives. In the last three years, Metra has rehabilitated about 115 cars and about 25 locomotives. (But Metra has 848 railcars and 150 locomotives, so it has a ways to go.) Metra also has a current request for proposals to buy at least 25 new railcars (and as many beyond that as future funding allows) and it plans to issue an RFP soon for at least 10 new locomotives (plus as many more beyond that as future funding allows). But since Metra needs 367 new railcars and 52 new locomotives, and major new funding still needs to be identified, the modernization plan is likely going to take longer than 10 years to achieve.

CONCLUSION

Metra's 2018 budget is premised on some of the state's funding cuts being restored effective July 1, 2018, when the state's next fiscal year begins. Furthermore, there has been no state capital bill since 2009.

Metra needs to have funding appropriate to its needs. The discussion above makes it clear that the current funding formulas for Metra are inadequate. Without adequate, steady and continuing sources of funding for operations and capital that are indexed to inflation, Metra is facing a very challenging financial future if it continues to provide current service levels. Metra's needs include a state capital funding program that will provide it with a reliable source of funds for local match and other projects. The future economic viability of Metra and northeast Illinois depends upon it.

SYSTEM OVERVIEW

Metra is the largest commuter railroad in the nation based on miles of track and the second-largest based on ridership, providing about 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 691 weekday trains on 11 rail lines that serve 241 stations. Metra owns and operates four rail lines (Rock Island, Metra Electric, Milwaukee District North and Milwaukee District West). Three Metra lines are operated by Metra employees over freight railroad-owned track through track 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

- 80.4 million passenger trips in 2016
- 691 weekday trains, 264 Saturday trains and 175 Sunday trains
- 241 stations
- 1,155 miles of track
- 488 route miles
- 150 locomotives
- 848 diesel passenger railcars (includes cab cars and trailer cars)
- 186 electric propelled passenger railcars
- 823 bridges
- 566 grade crossings
- 24 rail yards
- 91,175 parking spaces
- 11 electrical substations
- 5 electrical tie stations
- 12 fuel facilities

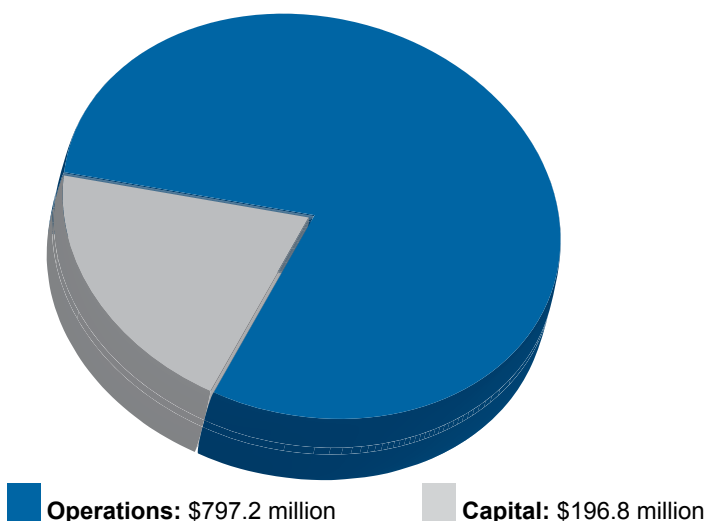
FUNDING OVERVIEW

Metra provides a vital transportation link for about 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 2018, Metra's total budget for operations and capital is \$994 million, down from \$1.06 billion in 2017. As shown in **Exhibit 3** below, this total includes \$797.2 million for operations and \$196.8 million for capital.

Exhibit 3

2018 FUNDING DISTRIBUTION TOTAL \$994 MILLION



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 2018. Metra's 2018 budget achieves a recovery ratio of 54.7 percent.

Metra is committed to a balanced operating budget without using federal capital dollars to fund operating activities. However, Metra is projected to receive a reduction in funding in 2018 compared to the 2017 funding target. Therefore, a fare increase and service reductions are necessary to bridge this operating funding gap in 2018.

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 2018 Capital Program. The RTA Innovation, Coordination and Enhancement (ICE) funds are also part of Metra's 2018 Capital Program. A more detailed discussion of Metra's 2018-2022 Capital Program begins on page 19. Tables and project descriptions for Metra's 2018-2022 program are included in the Appendix of this document (pages 32-41) and show funding available from current sources.

RIDERSHIP

Metra’s core customers are morning commuters to Chicago’s central business district (CBD). 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 the CBD 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 CBD 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 2016, Metra undertook an origin-destination survey and rider boarding and alighting counts to measure how the service is used by riders. Also in 2016, the RTA conducted a regional customer satisfaction survey to track transit performance for the three Service Boards, Metra, CTA, and Pace. 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. Changes in technology are also guiding rider decision-making. Access to real-time travel and parking information and increased connectivity drive rider commuting decisions. More than 60 percent of Metra riders report that they have the option to telecommute and on average that they use that option up to nine days each month.

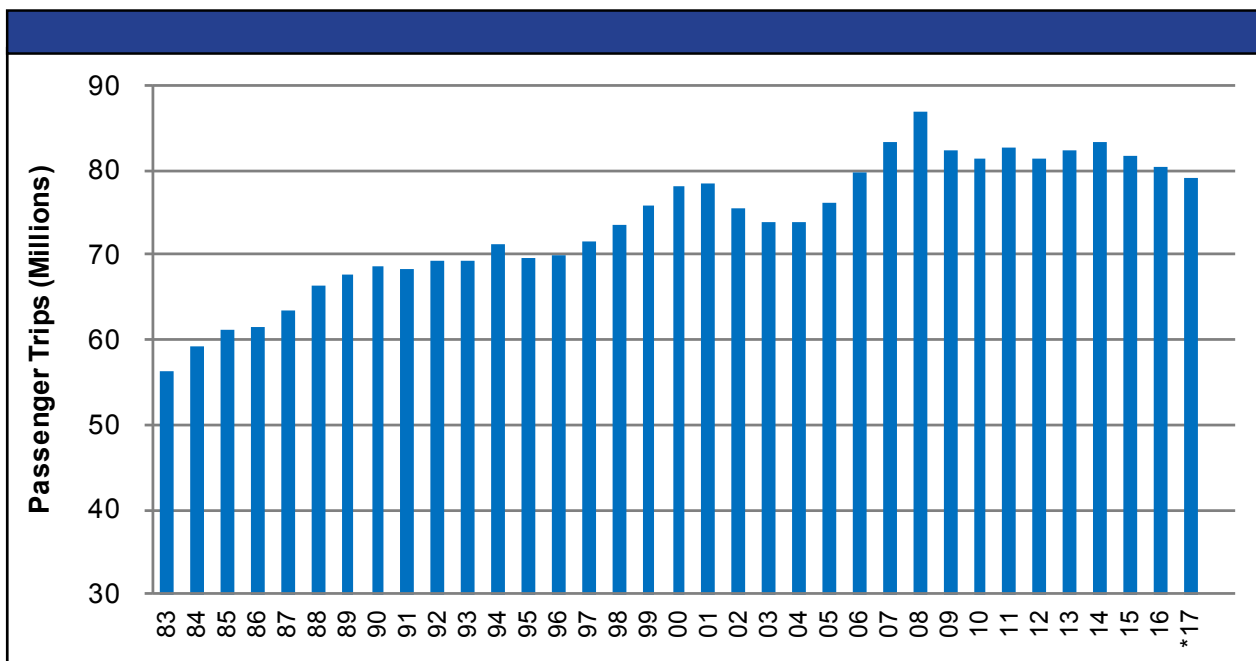
Metra is committed to growing ridership across all market segments by positioning its service as the preferred mode of travel in terms of reliability, efficiency and convenience. To deliver on this strategy, Metra needs to maintain its infrastructure to ensure reliable service. Ongoing capital investments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

The 2018 budget forecasts ridership to decline 1.5 percent (see **Exhibit 18** on page 45).

Exhibit 4 below shows historic ridership trends. Metra’s 2017 ridership through August is 1.5 percent lower than 2016 and 0.6 percent lower than the budgeted goal. At this time, we project final 2017 ridership will be 79.0 million.

Exhibit 4

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.

Exhibit 5

METRA TICKET TYPES

Ticket Type	Period of Validity	Number of Rides
Monthly*	Calendar month and until noon on the first business day of next month	Unlimited
10-Ride*	One year	10
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

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 5** above.

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 Fare Structure Study process, the Metra Board revised its principles for fare policy:

- Consider regular fare adjustments that ensure a balanced budget, sustain service, keep pace with inflation, and avoid significant, infrequent fare increases.
- Allow no diversion of capital-eligible funds to the operating budget.
- Acknowledge the total value of providing services to the region's economy while recognizing that fares must cover a percentage of operating costs, as set by the RTA, and support Metra's capital program.
- Understand the short-term and long-term impacts of fare changes on ridership and revenue as well as the time and resources needed to implement them.
- Improve fare collection by simplifying the overall process and transportation costs.
- Offer a fare structure and policies that are easy to use and understand by offering fare structure and products that are regionally equitable and appeal to current and prospective customers.
- Evaluate impacts of cooperative opportunities on fare structure, products, pricing and policies of our local transit partners and evaluate national peer programs that have stimulated ridership.

The following fare changes are proposed for 2018:

- Increase adult One-Way fares \$0.25 in all zones (2.3% to 6.7%)
- Increase adult 10-Ride fare multiplier to 9.5 One-Way fares (\$4.25 to \$7.75; 8% to 12.6%)
- Increase adult Monthly fare multiplier to 29.0 One-Way fares (\$9.00 to \$12.50; 4.1% to 8.4%)
- Increase reduced One-Way fares \$0.00 to \$0.25 (0% to 14.3%)
- Increase reduced 10-Ride fare multiplier to 9.5 reduced One-Way fares (\$1.00 to \$5.00; 5.6% to 20.6%)
- Retain Reduced Fare Monthly multiplier at 35 One-Way Reduced Fares (\$0 - \$8.75; 0% to 14.3%)
- Increase Weekend Pass to \$10 (\$2; 25.0%).

Tables showing fares by zone and ticket type for both full and reduced fares can be found in **Exhibits 22** and **23** on pages 50-51.

SERVICE CHANGES

The following service revisions are proposed for 2018 to help bridge a projected shortfall in funding for operations. These actions will mark the first time in Metra's history that it has moved to contain costs by reducing train service. With these service changes/reductions, Metra is expected to reduce operating costs by \$3 million in 2018. Train runs proposed for elimination or reduced service were targeted due to lower-than-optimal ridership. Schedules on other trains will be adjusted to bridge gaps in service.

The service changes proposed in the 2018 budget are as follows:

SouthWest Service

SouthWest Service weekday Train 815, which departs Chicago Union Station at 12:35 p.m., will no longer terminate at Manhattan, but will instead terminate at 179th Street in Orland Park. SouthWest Service Train 830, which arrives at Union Station at 3:48 p.m. will no longer originate from Manhattan, but will instead originate from 179th Street.

North Central Service

North Central Service weekday Train 106, which arrives Union Station at 8:04 a.m., will be eliminated. North Central Service Train 108 will now arrive Union Station at 8:12 a.m. (previous arrival time 8:11 a.m.), and will make all stops except for Rosemont, Schiller Park and Franklin Park, with the extra stops added to accommodate passengers who previously took Train 106. North Central Service weekday Train 111, which departs Union Station at 4:58 p.m., will be eliminated. North Central Service weekday Train 113 will depart Union Station at 5:01 p.m., and will make all stops except for Rosemont, Schiller Park and Franklin Park, arriving at 6:38 p.m. (previous arrival time 6:27 p.m.) in Antioch. The additional stops will be made to accommodate passengers who previously took Train 111.

Rock Island Line

Rock Island Line weekday Train 622 (arrives at LaSalle Street Station at 6:44 p.m.) Train 526 (arrives LaSalle Street at 7:42 p.m.), Train 532 (arrives LaSalle Street at 11:50 p.m.), and Train 533 (departs LaSalle Street at 12:30 a.m.) will be eliminated. Rock Island Line weekday Train 424 (arrives LaSalle Street at 6:28 p.m.) will now make all stops from Joliet to LaSalle Street via the Beverly Branch, arriving at LaSalle Street at 6:45 p.m. Train 424 will accommodate Beverly Branch passengers who previously took Train 622. A new inbound Rock Island weekday train will depart Joliet at 8:30 p.m. and make all stops to Blue Island Vermont Street and express to Gresham and 35th Street, arriving at LaSalle Street at 9:38 p.m. Rock Island Line Train 527 (departs LaSalle Street at 8:45 p.m.) will now depart at 9:15 p.m. Rock Island Line Train 529 (currently departs LaSalle Street at 9:45 p.m.) will now depart at 10:30 p.m. Rock Island Line Train 531 (currently departs LaSalle Street at 11:15 p.m.) will now depart at 11:45 p.m.

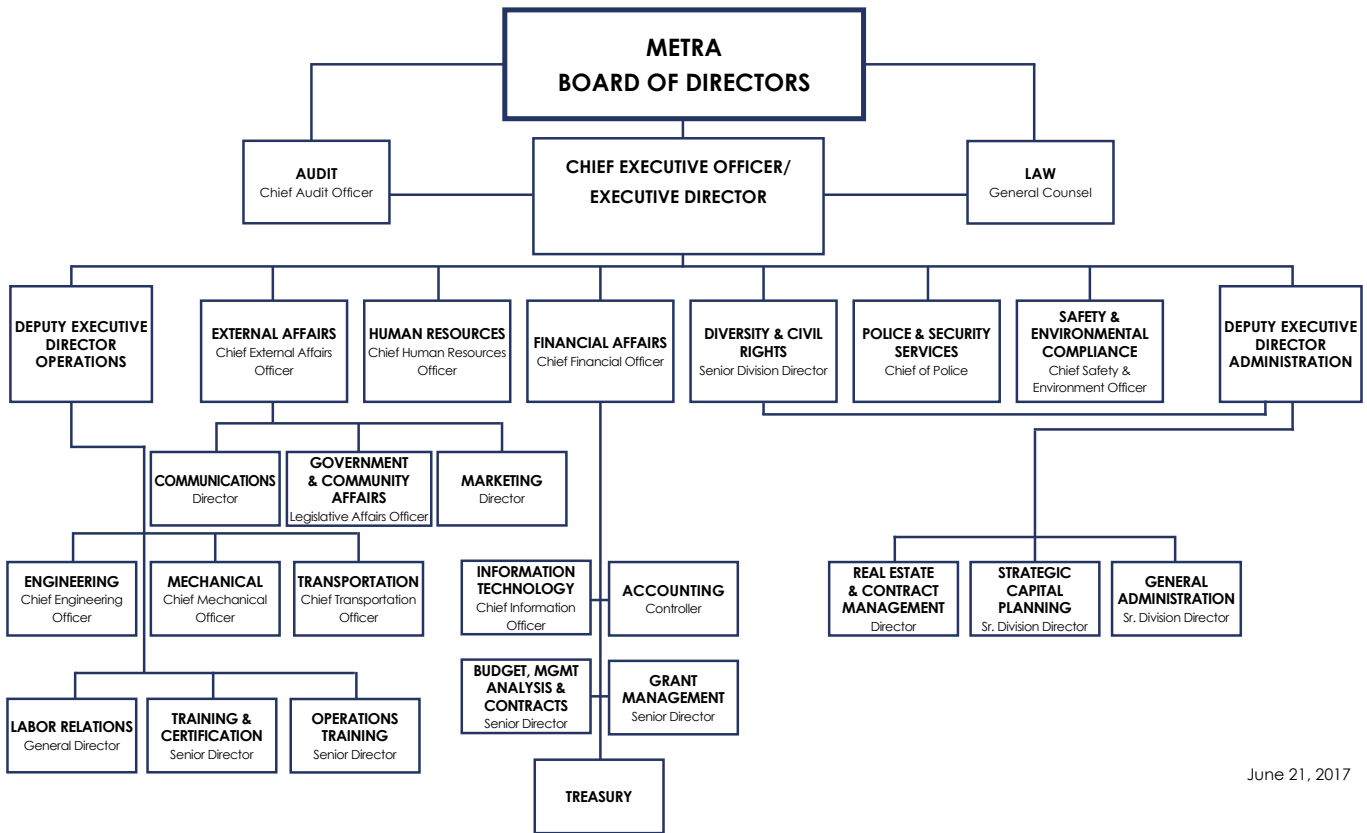
Milwaukee District North Line

Milwaukee District North Line Saturday Train 2606 (currently arrives Union Station at 11:10 a.m.) and Train 2610 (arrives Union Station at 1:10 p.m.) will be eliminated. Milwaukee District North Line Saturday Train 2609 (departs Union Station at 1:45 p.m.) and Train 2613 (departs Union Station at 3:45 p.m.) will be eliminated. Milwaukee District North Line Sunday Train 2606 (arrives Union Station at 11:10 a.m.) and Train 2619 (departs Union Station at 5:35 p.m.) will be eliminated.

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 entire 11-member board. Metra's day-to-day operations are overseen by its CEO and executive team. Metra's organizational structure is detailed in **Exhibit 6** below.

Exhibit 6
METRA ORGANIZATIONAL UNITS



June 21, 2017

OPERATIONS

Metra's operations are overseen by the Deputy Executive Director, Operations, who provides executive direction and guidance to the chief officers of the 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 District 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 North, Northwest and West.

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 skills necessary in the performance of their jobs.

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 (metrail.com). 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 the production of the agency's graphic materials. Marketing 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 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 area.

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, 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.

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.

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 the agency's 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 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.

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

The Metra 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 areas: 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, applies 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, 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 56.



OTHER MAJOR INITIATIVES

STRATEGIC PLAN

Metra is working to finalize its strategic plan, a critically important document that will guide the agency for years to come. During two successful rounds of public outreach in July and November of 2012, we received a significant amount of feedback from our key stakeholders: our board, our employees, our riders, and the public. These comments shaped our Mission and Vision statements, which the Metra Board voted to adopt in January 2013. We also used this feedback to develop a set of five Strategic Goals that will drive the agency's activities.

All of these elements are laid out in our draft strategic plan, titled "On Track to Excellence." This draft document was presented to the Metra Board and released for public comment in September 2017. It will guide Metra's work plan for the next five years. The draft plan and previous strategic plan documents can be found at metrarail.com/strategicplan. Staff will review the public comments received and incorporate them into the document, as appropriate. A final strategic plan will be returned to the Metra Board for approval.

In addition, Metra contracted with an outside firm 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's existing 11 lines, while the second tier includes new lines and extensions of service. The analysis is slated for completion in late 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 being 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. In September 2017, a high-level presentation was given to the Metra Board. Open houses for the public are planned for early 2018.

ICE-FUNDED PROJECTS

As part of our 2018 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 2018, funded projects include customer amenities such as LED lights in commuter cars and updated passenger displays at the downtown stations.

2018 ICE-Funded Projects

Train Tracking and Passenger Counting System	\$3.0 million
Downtown Terminal Information Displays	\$0.9 million
LED Lights on Commuter Cars	\$0.9 million

WI-FI AND CHARGING STATIONS

Metra has installed Wi-Fi in 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.

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 2018 capital program is funded through \$171.6 million in Federal Formula/State of Good Repair funds. Other funding sources that supplement Metra's capital program include \$4.9 million in ICE funds. The plan also calls for \$20.3 million of Metra's fares to be allocated to the capital program. Metra's 2018-2022 capital program tables and project descriptions for Metra's 2018-2022 program are included in the Appendix of this document (pages 32-41). Funding available from current sources is shown in **Exhibit 12**, page 32.

Metra must submit to the RTA a balanced one- and five-year capital program. As part of the 2018 program, 52 percent of the capital funding will be allocated to major capital projects, including:

Railcar rehabilitation	\$18.5 million
Locomotive rehabilitation	\$20.5 million
New railcars	\$23.7 million
Positive Train Control (PTC)	\$30.0 million
Bridge Rehabilitation	\$9.0 million

ROLLING STOCK

Metra's fleet consists of 150 locomotives and 848 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 railcars. 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, with the addition of State of Illinois Bond funds, a total of \$169.8 million was allocated for rolling stock, including car and locomotive rehabilitation programs, and car and locomotive purchases. Metra's 2018-2022 five-year core capital program calls for \$603.1 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.

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 2018-2022 capital program include more than \$175.1 million for this asset category.

SIGNAL, ELECTRICAL AND COMMUNICATIONS

Signal, electrical and communications systems are vital to safe railroad operation. The Metra system has 566 highway grade crossings. The 2018-2022 program also includes \$139.7 million for signal, electrical and communication. In 2018 alone, Metra will invest \$39.7 million including \$30.0 million for PTC and only \$9.7 million for other needs.

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. In 2017, Metra allocated \$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 2018-2022 five-year core program includes \$91.3 million for support facilities and equipment.

STATIONS AND PARKING

Station and parking improvements are some of the most visible capital improvements to our customers. To maintain a state of good repair, Metra estimates that we would need to rehabilitate or replace five stations and 20 platforms annually. The 2018-2022 five-year core program allocates \$62.6 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 its Safety and Environmental Compliance Department and include numerous programs which incorporate education, engineering and enforcement activities.

In 2018, 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 2018. In its 12th year, the contest, which is overseen by the External Affairs 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, primarily through its Marketing Department, actively pursues and develops partnerships to identify non-fare revenue opportunities to offset operating expenditures. A key partner is Clear Channel Outdoor which sells advertising on Metra trains and at stations. In late 2017, digital monitor screens were added into Clear Channel’s sale product portfolio. Additional advertising channels include revenue initiatives in the MetraMarket concourse at Ogilvie Transportation Center, Metra’s website, its commuter newsletter and assorted “one-off” licensing revenue streams. In 2017, a marketing rideshare sponsorship recognized Uber as Metra’s official rideshare partner. A variety of in-kind partnerships also highlight Metra service or fares to specific entertainment, sports and cultural venues and support the annual school safety program.

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 cut the agency’s costs for site operations by 50 percent, or \$400,000 annually, from the previous contract. Development costs have also been reduced due to the use of an open-source platform that allows 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

Metra markets its service to a wide variety of audiences. Important market segments for future ridership growth include traditional commuters, recreational and weekend riders, occasional users and reverse commuters. Metra’s proactive customer-driven marketing approach builds upon already successful programs to meet the needs of our passengers. While some of marketing is tailored to specific market segments, other efforts are geared toward general audience populations to reinforce brand identity while sending a call to action that resonates with all potential customers.

In 2017, Metra established and implemented a consistent marketing program supported by results of the recently completed customer segmentation study that reinforced the importance of the attributes of providing safe, dependable and convenient service to our riders. The program included a mix of media, including radio, direct mail, digital, online and social media.



2018 BUDGET OVERVIEW

Metra's 2018 operating budget and 2019-2020 financial plan meet the RTA's revenue recovery ratio and balanced budget requirements. The RTA's projection of operating funding available in 2018 is 3.6 percent lower than the funding available in the 2017 budget. For 2019, the RTA estimates that available funding will increase by 3.1 percent over 2018. For 2020, the RTA estimates an increase of 2.8 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 2018 through 2020, 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 2018 is expected to be higher than the 2017 budget by \$17.2 million or 4.8 percent. This increase reflects that the 2018 Budget will receive higher funds related to a net increase in fare revenue of 7 percent effective Feb. 1, 2018. The increase is expected to generate approximately \$17.2 million over the 11-month period, after a \$5.4 million provision for loss in ridership due to the fare increase and service adjustments.

REDUCED FARE REIMBURSEMENT

Reduced Fare Reimbursement is budgeted to be \$3.1 million for 2018, the same as the 2017 budget.

CAPITAL CREDITS, LEASES AND OTHER CONTRACTS

The 2018 budget for capital credits, leases and other contracts has been increased by \$4.4 million or 15.2 percent versus 2017, reflecting anticipated increases in billable items, primarily crossing project work on behalf of the state that is not considered a Metra asset

TOTAL OPERATING EXPENSES

The 2018 operating budget projects an increase of \$16 million or 2 percent compared to the 2017 budget. Train service levels will decrease in 2018 from 2017 levels, 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 2018 budget for operations and maintenance, which represents about 76 percent of Metra's operating costs, is projected to increase by \$16.5 million or 2.8 percent over 2017. This category is made up of transportation, engineering and mechanical.

The transportation category includes the operation of 691 weekday trains across the system and supporting our customers with ticket and station services and police. Transportation costs are projected to increase by \$5.3 million or 2 percent over 2017.

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 \$7.4 million or 5 percent over 2017. The increase over price adjustments is primarily from higher anticipated operating costs related to Positive Train Control (PTC).

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 \$3.8 million or 2.1 percent over 2017.

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 2019 is projected to grow by 3.4 percent over the 2018 budget and for 2020 to grow by 3.4 percent over the 2019 plan.



ADMINISTRATION

The 2018 budget for administration, which represents about 14 percent of Metra's operating costs, is projected to increase by \$3.6 million or 3.4 percent compared to 2017. For the plan years of 2019 and 2020, administration costs are projected to grow by 3.4 percent in 2019 over the 2018 budget and by 3.4 percent in 2020 over the 2019 plan.

DIESEL FUEL

Diesel fuel for 2018 is budgeted at \$49.8 million, representing a \$1.6 million decrease from the 2017 budget. For 2019 and 2020, Metra's projected expense for diesel fuel is \$51.3 million and \$53.3 million, respectively.

METRA ELECTRIC LINE ELECTRICITY

Metra Electric Line electricity for 2018 is budgeted at \$4.9 million, which is \$1.3 million or 21.0 percent lower than the 2017 budget. The reduction reflects the continued positive impact of dynamic braking in the new Metra Electric fleet, where electricity is generated during braking and sent back to the catenary wires. Metra is projecting price increases for 2019 and 2020 at 4.1 percent and 3.9 percent, respectively.

CLAIMS AND INSURANCE

Claims and insurance for 2018 is budgeted at \$14 million, which is a \$100,000 or 0.7 percent increase from the 2017 budget. For 2019 and 2020, expenses in this category are projected to be \$14.5 million and \$15 million, respectively.

DOWNTOWN STATIONS

For 2018, the downtown stations category, which includes charges for Chicago Union Station, LaSalle Street Station and the Ogilvie Transportation Center, is budgeted at \$15.3 million. This is a \$1.3 million decrease over the 2017 budget. While the station rents are covered by long-term leases that have annual inflators, inflation rates have been lower than budgeted for a number of years. The 2018 reduction aims to bring the annual amount down to the current year projections and allow for lower growth going forward. For 2019 and 2020, the budget projections for this line item are \$15.8 million and \$16.4 million, respectively.

SUMMARY

Exhibit 9 on page 27 presents Metra's 2018 budget, while **Exhibit 10** on page 28 summarizes Metra's 2018 budget and its 2019-2020 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 2018 projected cash flow summary is included in the Appendix on page 30 as **Exhibit 11**.



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Exhibit 7

METRA OPERATING BUDGET COMPARISONS 2017 BUDGET AND 2018 BUDGET

(\$ in millions)

	2017 Budget	2018 Budget	Growth Amt.	%
Revenues				
Passenger Revenue	\$357.5	\$374.7	\$17.2	4.8%
Reduced Fare Subsidy	3.1	3.1	0.0	0.0%
Capital Credits, Leases, etc.	28.9	33.3	4.4	15.2%
Total Revenues	\$389.5	\$411.1	\$21.6	5.5%
Operating Expenses				
Transportation	260.4	265.7	5.3	2.0%
Maintenance of Way	146.8	154.2	7.4	5.0%
Maintenance of Equipment	181.2	185.0	3.8	2.1%
Subtotal - Operations	588.4	604.9	16.5	2.8%
Administration	104.7	108.3	3.6	3.4%
Diesel Fuel	51.4	49.8	(1.6)	-3.1%
Metra Electric Line Electricity	6.2	4.9	(1.3)	-21.0%
Claims & Insurance	13.9	14.0	0.1	0.7%
Downtown Stations	16.6	15.3	(1.3)	-7.8%
Total Operating Expenses	\$781.2	\$797.2	\$16.0	2.0%
Total Funded Deficit	\$391.7	\$386.1	(\$5.6)	-1.4%
Metra Sales Taxes	419.1	404.9	(14.2)	-3.4%
Add: ICE Funding for Operations	1.0	0.0	(1.0)	-100.0%
Add: Security Grant	3.7	1.5	(2.2)	59.5%
Total Funds for Operating	423.8	406.4	(17.4)	-4.1%
Capital Fare Funding	(32.1)	(20.3)	11.8	-36.8%
Total Funds Available for Operating	\$391.7	\$386.1	(\$5.6)	-1.4%
Excess / (Shortfall) of Funds	0.0	0.0	0.0	
Recovery Ratio	52.9%	54.7%		
Recovery Ratio Additions	\$2.1	\$2.1		
Recovery Ratio Exclusions	\$41.0	\$42.0		

Exhibit 8

CALCULATION OF 2018 - 2020 FAREBOX RECOVERY RATIOS

(\$ in millions)

Year	2018	2019	2020
System Generated Revenues	\$411.1	\$437.2	\$453.9
Additions to Recovery Ratio Revenues	2.1	2.1	2.1
Farebox Recovery Ratio Revenue	413.2	439.3	456.0
Total Operating Expenses	\$797.2	\$824.2	\$852.6
Exclusions from Recovery Ratio Expenses	42.0	42.5	43.0
Farebox Recovery Ratio Expenses	\$755.2	\$781.7	\$809.6
Revenue Recovery Ratio	54.7%	56.2%	56.3%

Exhibit 9

2018 BUDGET BY CARRIER AND TYPE OF EXPENSE

(\$ in millions)

	NIRCRC	Union Pacific	BNSF Railway	Total Metra
Revenues:				
Passenger Revenue	\$163.0	\$133.8	\$77.9	\$374.7
Reduced Fare Subsidy	3.1	0.0	0.0	\$3.1
Capital Credits, Leases, etc.	33.3	0.0	0.0	\$33.3
Total Revenues	\$199.4	\$133.8	\$77.9	\$411.1
Operating Expenses				
Transportation	147.6	84.5	33.6	265.7
Maintenance of Way	96.8	50.2	7.2	154.2
Maintenance of Equipment	100.3	59.0	25.7	185.0
Subtotal - Operations	\$344.7	\$193.7	\$66.5	\$604.9
Administration	100.4	7.9	0.0	108.3
Diesel Fuel	19.8	21.5	8.5	49.8
Metra Electric Line Electricity	4.9	0.0	0.0	4.9
Claims & Insurance	14.0	0.0	0.0	14.0
Downtown Stations	7.8	1.7	5.8	15.3
Total Operating Expenses	\$491.6	\$224.8	\$80.8	\$797.2
Total Funded Deficit	\$292.2	\$91.0	\$2.9	\$386.1
Metra Sales Taxes				404.9
Add: ICE Funding for Operations				0.0
Add: Security Grant				1.5
Less: Capital Fare Funding				(20.3)
Total Funds Available for Operating				\$386.1
Excess / (Shortfall) of Funds				0.0
Revenue Recovery Ratio				54.7%
Recovery Ratio Additions				2.1
Recovery Ratio Exclusions				42.0

Exhibit 10

2018 BUDGET SUMMARY AND 2019-2020 FINANCIAL PLAN

(\$ in millions)

	2018 Budget	Growth	2019 Plan	Growth	2020 Plan
Revenues:					
Passenger Revenue	\$374.7	6.6%	\$399.3	3.9%	\$415.0
Reduced Fare Subsidy	3.1	0.0%	3.1	0.0%	3.1
Capital Credits, Leases, etc.	33.3	4.5%	34.8	2.9%	35.8
Total Revenues	\$411.1	6.3%	\$437.2	3.8%	\$453.9
Operating Expenses					
Transportation	265.7	3.4%	274.8	3.4%	284.2
Maintenance of Way	154.2	3.4%	159.4	3.4%	164.8
Maintenance of Equipment	185.0	3.4%	191.3	3.4%	197.8
Subtotal - Operations	\$604.9	3.4%	\$625.5	3.4%	\$646.8
Administration	108.3	3.4%	112.0	3.4%	115.8
Diesel Fuel	49.8	3.0%	51.3	3.9%	53.3
Metra Electric Line Electricity	4.9	4.1%	5.1	3.9%	5.3
Claims & Insurance	14.0	3.6%	14.5	3.4%	15.0
Downtown Stations	15.3	3.3%	15.8	3.8%	16.4
Total Operating Expenses	\$797.2	3.4%	\$824.2	3.4%	\$852.6
Total Funded Deficit	\$386.1	0.2%	\$387.0	3.0%	\$398.7
Metra Sales Taxes	404.9	3.1%	417.6	2.8%	429.3
Add: ICE Funding for Operations	0.0		0.0		0.0
Add: Security Grant	1.5		1.5		1.5
Funds Available for Operating	\$406.4	3.1%	\$419.1	2.8%	\$430.8
Capital Fare Funding	(20.3)	58.1%	(32.1)	0.0%	(32.1)
Total Funds Available for Operating	\$386.1	0.2%	\$387.0	3.0%	\$398.7
Excess / (Shortfall) of Funds	0.0		0.0		0.0
Recovery Ratio	54.7%		56.2%		56.3%
Recovery Ratio Additions	\$2.1		\$2.1		\$2.1
Recovery Ratio Exclusions	\$42.0		\$42.5		\$43.0



Exhibit 11

METRA 2018 PROJECTED CASH FLOW SUMMARY

(\$ in millions)

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Beginning Balance	\$180.0	\$182.4	\$184.7	\$194.1	\$183.0	\$174.3	\$170.2	\$168.6	\$172.9	\$175.5	\$174.0	\$174.5	
Operating Revenue	30.9	30.0	32.3	31.8	31.8	34.7	35.3	34.0	33.3	33.8	31.3	31.6	390.8
Capital Farebox Revenue	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.6	20.3
Total Operating Revenue	32.6	31.7	34.0	33.5	33.5	36.4	37.0	35.7	35.0	35.5	33.0	33.2	411.1
RTA Sales Tax Month Paid	38.2	38.3	45.3	24.6	22.9	27.4	30.8	33.4	35.1	31.8	33.0	33.3	394.1
ICE (Per RTA Schedule)	4.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4.9
RTA Sales Tax / State PTF	43.1	38.3	45.3	24.6	22.9	27.4	30.8	33.4	35.1	31.8	33.0	33.3	399.0
Capital Grants:													
FTA	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	171.6
RTA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CMAP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Subtotal	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	171.6
Total Cash Receipts	90.0	84.3	93.6	72.5	70.7	78.1	82.1	83.4	84.4	81.6	80.3	80.8	981.7
Operating Expenses	66.7	66.0	68.2	67.6	63.4	66.2	67.7	63.1	65.8	67.1	63.8	71.6	797.2
Total Operating Expenses	66.7	66.0	68.2	67.6	63.4	66.2	67.7	63.1	65.8	67.1	63.8	71.6	797.2
Capital Projects:													
FTA/RTA/IDOT	19.2	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	176.5
Metra	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.6	20.3
Total Capital Projects	20.9	16.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0	15.9	196.8
Total Cash Disbursements	87.6	82.0	84.2	83.6	79.4	82.2	83.7	79.1	81.8	83.1	79.8	87.5	994.0
Ending Balance	\$182.4	\$184.7	\$194.1	\$183.0	\$174.3	\$170.2	\$168.6	\$172.9	\$175.5	\$174.0	\$174.5	\$167.8	



Exhibit 12

CAPITAL PROGRAM 2018

PE	Description	RR	Source	Amount
Rolling Stock				
5201	TRACTION MOTORS	MET	f	\$1,600,000
5202	LOCOMOTIVE AND CAR IMPROVEMENTS	MET	f	1,000,000
5203	WHEEL REPLACEMENT	MET	f	3,000,000
5208	LED CONVERSION (AMERAIL)	MET	ri	952,500
5205	LOCOMOTIVE MID-LIFE REHAB 150-173	MET	f	20,000,000
5006	NEW GALLERY CARS PURCHASE	MET	f	23,700,000
5007	CAR REHAB (NIPPON SHARYO P-2)	MET	mt	5,925,000
5207	CAR REHAB (NIPPON SHARYO P-3)	MET	mt	3,575,000
5207	CAR REHAB (NIPPON SHARYO P-3)	MET	f	9,030,000
5204	LOCOMOTIVE REHABILITATION 100-149,215,216	MET	f	500,000
5010	CAR AND LOCOMOTIVE CAMERAS	MET	f	2,500,000
Rolling Stock Subtotal				\$71,782,500
Track and Structure				
5211	TIES, BALLAST, & SW HEATERS	BNS	f	\$3,000,000
5212	TIES AND BALLAST	MED	f	2,500,000
5213	TIES AND BALLAST	MWD	f	3,000,000
5214	TIES AND BALLAST	RID	f	2,500,000
5215	TIES AND BALLAST	UPR	f	1,500,000
5222	UNDERCUTTING & SURFACING	MED	f	100,000
5223	UNDERCUTTING & SURFACING (50/50)	MWD	f	300,000
5224	UNDERCUTTING & SURFACING	MWD	f	200,000
5225	UNDERCUTTING & SURFACING	RID	f	400,000
5227	RAIL REPLACEMENT	BNS	f	2,400,000
5228	RAIL REPLACEMENT	MED	f	2,000,000
5230	RAIL REPLACEMENT	MWD	f	1,000,000
5231	RAIL REPLACEMENT	RID	f	1,500,000
5232	RAIL REPLACEMENT	UPR	f	1,000,000
5220	NCS IMPROVEMENTS	NCS	mt	865,000
5234	CROSSINGS (ROAD & TRACK)	MED	f	2,000,000
5237	CROSSINGS (ROAD & TRACK)	RID	f	1,000,000
5236	CROSSINGS (ROAD & TRACK)	MWD	f	1,000,000
5238	CROSSINGS (ROAD & TRACK)	UPR	f	500,000
5239	BRIDGES & RETAINING WALLS	BNS	f	3,000,000
5240	BRIDGE A-32	MWD	f	6,000,000
2112	NORTH LINE BRIDGES (PHASED)	UPR	f	3,000,000
5244	CATENARY STRUCTURE REHABILITATION	MED	f	750,000
5247	ROW FENCING	MET	f	100,000
Track and Structure Subtotal				\$39,615,000

PE	Description	RR	Source	Amount
Signal, Electrical and Communications				
4343	POSITIVE TRAIN CONTROL	MET	f	\$26,500,000
4343	POSITIVE TRAIN CONTROL	MET	mt	3,500,000
5253	SIGNAL SYSTEM UPGRADES	MED	f	500,000
5254	SIGNAL SYSTEM UPGRADES	MWD	f	500,000
5255	SIGNAL SYSTEM UPGRADES	RID	f	500,000
5256	SIGNAL SYSTEM UPGRADES	UPR	f	500,000
5149	LAKE STREET INTERLOCKER	UPR	f	1,500,000
4254	TRACTION PWR SUB-STATIONS	MED	f	500,000
4842	16th STREET SIGNAL	RID	f	1,500,000
5456	RONDOUT INTERLOCKING RENEWAL	MWD	f	3,000,000
5285	DOWNTOWN TERMINAL INFO DISPLAY	MET	ri	952,500
4746	IMPEDANCE BONDS	MED	f	250,000
Signal, Electrical and Communications Subtotal				\$39,702,500
Facilities and Equipment				
5260	YARD IMPROVEMENTS	BNS	f	2,400,000
5261	YARD IMPROVEMENTS	MED	f	900,000
5262	YARD IMPROVEMENTS	MWD	f	1,000,000
5264	YARD IMPROVEMENTS	RID	f	750,000
5265	YARD IMPROVEMENTS	UPR	f	750,000
5266	CREW FACILITY	UPR	f	500,000
5269	RIGHT OF WAY EQUIPMENT	MET	f	1,500,000
5271	EQUIPMENT & VEHIC MECH	MET	f	1,000,000
5268	POLICE VEHICLES	MET	f	500,000
5270	OFFICE EQUIPMENT	MET	f	275,000
5272	IT COMPONENTS & SERVICES	MET	f	750,000
5272	IT COMPONENTS & SERVICES	MET	mt	1,435,000
5273	POLICE DISASTER & SECURITY CENTER	MET	f	500,000
5267	547 BUILDING IMPROVEMENTS	MET	f	200,000
5171	GPS/TRAIN TRACKING	MET	f	4,000,000
5171	GPS/TRAIN TRACKING	MET	ri	3,000,000
4852	FINANCIAL SYSTEM REPLACEMENT	MET	f	4,900,000
Facilities and Equipment Subtotal				\$24,360,000
Stations and Parking				
5280	ADA IMPROVEMENTS	MET	f	3,000,000
5281	SYSTEMWIDE STATION IMPROVEMENTS	MET	f	1,000,000
5282	STATION FAC IMPROVEMENTS	MED	f	1,500,000
Stations and Parking Subtotal				\$5,500,000

PE	Description	RR	Source	Amount
Support Activities				
5290	INFRASTRUCTURE ENGINEERING	BNS	f	\$1,000,000
5291	INFRASTRUCTURE ENGINEERING	MED	f	1,000,000
5292	INFRASTRUCTURE ENGINEERING	MWD	f	2,000,000
5293	INFRASTRUCTURE ENGINEERING	RID	f	3,000,000
5294	INFRASTRUCTURE ENGINEERING	UPR	f	1,000,000
5095	METRA CAPITAL FUNDING	MET	mt	2,400,000
5296	UNANTICIPATED CAPITAL	MET	mt	1,600,000
5297	LOCALLY FUNDED PROJECTS / MATCH	MET	mt	1,000,000
5298	PROJECT ADMINISTRATION	MET	f	1,500,000
5199	CONTINGENCIES	MET	f	1,409,429
Support Activities Subtotal				15,909,429
Grand Totals For Uses				\$196,869,429
Federal State of Good Repair (5337)			f3	\$89,497,364
Federal Formula (5307)			f9	82,167,065
Subtotal Federal Formula			f	171,664,429
RTA Innovation, Coordination and Enhancement			ri	4,905,000
Metra Farebox Capital (Additional Requests)			mt	20,300,000
TOTAL FUNDING PROGRAM				\$196,869,429

Exhibit 13

METRA CAPITAL PROGRAM SOURCES 2018 - 2022

(\$ in millions)

Funding Source	2018	2019-2022	Total
Federal Base Program			
State of Good Repair (5337)/ Formula (5307)	\$171.6	\$706.1	\$877.7
Subtotal Federal Base Program	171.6	706.1	877.7
Supplemental			
Federal CMAQ	0.0	45.1	\$45.1
RTA Bond	0.0	71.1	\$71.1
RTA Innovation, Coordination & Enhancement	4.9	10.2	\$15.1
Metra Farebox Capital	20.3	128.4	\$148.7
Subtotal Supplemental Program	25.2	254.8	\$280.0
Grand Total	\$196.8	\$960.9	\$1,157.7

2018 CAPITAL PROGRAM PROJECT DESCRIPTIONS

ROLLING STOCK

PE 5201 TRACTION MOTORS-REBUILD, MET

This project funds the overhaul of traction motors and traction alternators for locomotives. The project also involves the overhaul of auxiliary generators and head-end-power alternators. The overhauled equipment will be used on locomotives operated on railroads either owned or operated by Metra. 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 them to an acceptable level of performance.

PE 5202 LOCOMOTIVE & CAR IMPROVEMENTS, MET

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

PE 5203 WHEEL REPLACEMENT, MET

This project will implement the FRA-mandated replacement of wheel sets on Metra's fleet of locomotives and commuter cars. The replacement wheels will be used on vehicles being operated on all carriers and railroads in the Metra system as part of an ongoing program to overhaul major components on Metra's fleet.

PE 5208 LED CONVERSION (AMERAIL), MET

This project will replace the florescent main lighting on the Amerail commuter cars with LED main lighting. LED lighting draws less power than florescent lighting reducing locomotive diesel fuel usage and emissions. LED lights also have longer lives and will lead to fewer replacements.

PE 5205 LOCOMOTIVE MID-LIFE REHAB 150-173, MET

This project continues Metra's ongoing locomotive rehabilitation program. It consists of the life extending rebuild of F40PH locomotives. A locomotive rehabilitation is less expensive than a purchase -- \$1.8 million vs. \$7 million per vehicle.

LINE ABBREVIATIONS

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

These projects can include but are not limited to the complete rebuild of a diesel engine.

PE 5006 NEW GALLERY CARS, MET

The long-term proposed rail car program will purchase 367 new diesel cars to replace 318 cars with an average age of 43 years and increase the number of spare cars by 49. This would retire the oldest cars in the fleet.

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

This project involves the mid-life rehabilitation of 302 bi-level commuter cars delivered between 2006 and 2008. This is Phase 2 of a multi-phase project and consists of 11 cab cars and 19 trailer/coach cars built by the Nippon-Sharyo Corporation.

PE 5207 CAR REHAB, (NIPPON SHARYO, P-3), MET

This project is the next phase of the mid-life rehabilitation of 302 bi-level commuter cars delivered between 2006 and 2008. This is Phase 3 of a multi-phase project and consists of 11 cab cars and 19 trailer/coach cars built by the Nippon-Sharyo Corporation.

5204 LOCOMOTIVE REBUILD 100-149,215,216, MET

This project continues Metra's ongoing locomotive rehabilitation program. It consists of the life extending rebuild of F40PH locomotives and the mid-life overhaul of MP36 locomotives. A locomotive rehabilitation is less expensive than

a purchase -- \$1.8 million vs. \$7 million per vehicle. These projects can include, but are not limited to, the complete rebuild of a diesel engine. The project may also include may be the overhaul of the head end power alternator and gear box as well as painting and body repair.

PE 5010 CAR AND LOCOMOTIVE CAMERAS, MET

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

TRACK AND STRUCTURE

PE 5211 TIES AND BALLAST & SW HEATERS, BNS

PE 5212 TIES AND BALLAST, MED

PE 5213 TIES AND BALLAST, MWD

PE 5214 TIES AND BALLAST, RID

PE 5215 TIES AND BALLAST, UPR

These projects consist of the replacement of cross ties, switch ties and ballast. In order to maintain proper track gauge and surface, it is necessary to periodically replace ties and ballast. This improves the riding quality of the trains and reduces slow orders, which adversely affect adherence to train schedules. These projects represent part of an ongoing program to replace ties and ballast throughout the commuter territory.

PE 5222 UNDERCUTTING & SURFACING, MED

PE 5224 UNDERCUTTING & SURFACING, MWD

PE 5225 UNDERCUTTING & SURFACING, RID

Track undercutting provides for the removal of all fouled track ballast, which is then cleaned and returned to the track bed. When the ballast is fouled, it loses its load spreading capability. Undercutting is necessary when a section of ballast has become so contaminated that it 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.

PE 5223 UNDERCUTTING AND SURFACING (50/50), MWD

Track undercutting provides for the removal of all fouled track ballast, which is then cleaned and returned to the track bed. When the ballast is fouled, it loses its load spreading capability. Undercutting is necessary when a section of ballast has become so contaminated that it 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.

PE 5227 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 along the BNSF railroad, the replacement of switch machines and the replacement of turnouts. The high density of freight and commuter traffic, including extensive express service, on this line requires close monitoring and periodic replacement of switches and switch machines. Turnouts must be inspected and replaced frequently to protect against derailment. While minor defects in switch points and turnouts can be remedied with field welding, replacement over time is required to ensure reliable operations.

PE 5228 RAIL, MED

PE 5230 RAIL, MWD

PE 5231 RAIL, RID

PE 5232 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 will be determined. Existing jointed rail shows increased wear as it nears the end of its economic service life and it requires periodic replacement to maintain track speeds and on-time performance.

PE 5220 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) commuter rail line.

PE 5234 CROSSINGS (ROAD & TRACK), MED**PE 5236 CROSSINGS (ROAD & TRACK), MWD****PE 5237 CROSSINGS (ROAD & TRACK), RID****PE 5238 CROSSINGS (ROAD & TRACK), UPR**

These projects provide for the renewal of rail highway grade crossings at various locations on Metra commuter lines and Union Pacific lines. The specific crossings to be renewed will be based on the stage of deterioration at each crossing. The work will include, but is not limited to, replacement of cross ties, crossing material, and ballast, as well as the surfacing of the track.

PE 5239 BRIDGE AND RETAINING WALLS, BNS

This project will provide for the rehabilitation of retaining walls on the BNSF commuter line. Retaining wall sections at several locations along the right-of-way will be rehabilitated. This work typically includes complete reconstruction with steel sheet piling, concrete panels or bin wall to prevent retaining wall deterioration that can result in destabilization of the roadbed and in turn lead to track shifting.

PE 2112 NORTH LINE BRIDGES, UPR

This project involves the replacement of 11 bridges on the Union Pacific North Line from Grace to Balmoral streets in Chicago. The structural scope of work will include, but is not limited to, replacement of existing stone abutments, retaining wall construction, steel spans, and decks. The project also includes all new track work between the bridges,

including the replacement of wood ties with concrete ties. The Ravenswood Station will be rebuilt making the station platforms ADA accessible.

PE 5244 CATENARY STRUCTURE REHAB, MET

This project involves the ongoing rehabilitation of various catenary structures on the Metra Electric 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 will depend on condition assessments and the availability of track time to do the rehabilitation.

PE 5247 RIGHT OF WAY FENCING, MET

This project consists of the materials and labor necessary to erect fencing along the railroad right-of-way of the Metra rail lines. Specific locations are determined based on field conditions and are subject to change.

PE 5240 BRIDGE A-32, MWD

This project consists of engineering design services for the track at Bridge A32 on Metra's Milwaukee District North Line over Milwaukee Avenue at milepost 8.03 and the platform and shelter at the Grayland Station. The new A32 Bridge will have a ballasted deck, thereby raising the tracks, which necessitates the raising of the platform and shelter at Grayland Station. Bridges A30 and A34 over Addison Street and Irving Park Road and two

diamonds where the Union Pacific intersects the Milwaukee District North Line near Irving Park Road may also need to be raised.

SIGNAL, ELECTRICAL AND COMMUNICATIONS**PE 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. PTC 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.

PE 5149 LAKE STREET INTERLOCKER, UPR

This project consists of the modernization and upgrading of the Lake Street interlocker, at the north end of 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 solid-state equipment.

PE 5253 SIGNAL SYSTEM UPGRADES, MED**PE 5254 SIGNAL SYSTEM UPGRADES, MWD****PE 5255 SIGNAL SYSTEM UPGRADES, RID****PE 5256 SIGNAL SYSTEM UPGRADES, UPR**

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

PE 4842 16TH STREET INTERLOCKER, RID

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

PE 4254 TRACTION POWER SUBSTATIONS, 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 Line Highliner cars will possess the electrical power required to accelerate faster, and provide sufficient traction power to allow an increase in maximum operating speeds.

PE 5257 RONDOUT INTERLOCKING RENEWAL, MWD

This project consists of rebuilding the Rondout interlocker that was originally installed in the early 1960s and has become obsolete. The signal system is affected by the extreme weather conditions common to the Chicago region. The goals of this project will include but not be limited to, eliminating hand-drawn prints, improve Rockland Road at-grade crossing, add rail and switches for two new turnouts, add rail and switches for two new crossovers, replace 15 switch machines and add a new signal control system that is PTC ready.

PE 5285 DOWNTOWN TERMINAL INFO DISPLAY, MET

This project will replace existing LCD passenger information display boards and associated hardware with color display monitors. The new technology will allow the versatility of adding public safety announcements, emergency messaging, train tracking, as well as current boarding information.

PE 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**PE 5260 YARD IMPROVEMENTS, BNS**

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

PE 5261 YARD IMPROVEMENTS, MED

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

PE 5262 YARD IMPROVEMENTS, MWD

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

PE 5264 YARD IMPROVEMENTS, RID

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

PE 5265 YARD IMPROVEMENTS, UPR

This project consists of the construction and improvements to existing yard and shop facilities at various yard locations on the Metra system belonging to the Union Pacific Railroad. The improvements will include but are not limited to, the continuation of the rehabilitation of yard water systems, air systems, 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, installing an overhead crane at M19A and the rehabilitation of the roof also at M19A.

PE 5266 CREW FACILITY, UPR

This project will provide funding for updating and rehabilitating facilities for crews and other railroad personnel involved in operating and servicing the commuter rail service on the Union Pacific.

PE 5269 RIGHT OF WAY EQUIPMENT, MET

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

PE 5271 EQUIPMENT & 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 vehicles and equipment purchased will replace various pieces of obsolete or inadequate support vehicles and equipment used to help service and maintain Metra's fleet at the various yards. This includes but is not limited to supervisory vehicles for the supervision of fieldwork, small pickup trucks, various forklift trucks and car movers. The existing equipment has surpassed its useful life.

PE 5268 POLICE VEHICLES, MET

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

PE 5270 OFFICE EQUIPMENT

This project consists of the purchase of various pieces of equipment and office furniture that will be used at Metra storehouses and at the 547 building.

PE 5272 IT COMPONENTS & 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.

PE 5273 POLICE DISASTER & SECURITY CENTER

This project will construct a facility on Metra property in the suburbs to serve as a back-up facility for Metra Police in case of a disaster. It will house police and security systems.

PE 5267 547 BUILDING SYS IMPROVEMENTS, MET

This project addresses electrical improvements at the 547 Jackson building. Projects may include the installation of a stairwell pressurization system and the replacement of the building HVAC system. All work will comply with City of Chicago building codes.

PE 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, onboard announcement system and signs on the entire fleet. Metra will also install automatic passenger counters and event recorders. The new system will maintain the current necessary functions, while potentially adding video surveillance, customer information displays and an infotainment system.

PE 4852 FINANCIAL SYSTEM REPLACEMENT, MET

This project will provide funding for Metra's implementation of an Enterprise Resource Planning (ERP) system that is 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.

STATIONS AND PARKING

PE 5280 ADA PLATFORMS & RAMPS, MET

This project is part of Metra's ongoing effort to bring commuter rail stations into compliance with the

requirements of the Americans with Disabilities Act (ADA) of 1990. This project identifies, at each key station, specific work needed to bring the 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.

PE 5281 SYSTEMWIDE STATION IMPROVEMENTS, MET

This project 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.

PE 5282 STATION FACILITY IMPROVEMENTS, MED

This project includes, but is not limited to, the replacement and/or rehabilitation of station platforms and new lighting. The project also includes rehabilitation of access stairs, stair enclosures and shelters as well as repair of warming shelters. Work to be performed may also include gatehouse/head house rehabilitation, replacement of leaking roofs, replacement of ceilings, installation of new lighting and other related work.

SUPPORT ACTIVITIES

PE 5290 INFRASTRUCTURE ENGINEERING, BNS

PE 5291 INFRASTRUCTURE ENGINEERING, MED

PE 5292 INFRASTRUCTURE ENGINEERING, MWD

PE 5293 INFRASTRUCTURE ENGINEERING, RID

PE 5294 INFRASTRUCTURE ENGINEERING, UPR

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

PE 5296 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 will allow 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.

PE 5297 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.

PE 5298 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).

PE 5095 METRA CAPITAL FUNDING, MET

This project will provide capital funding for necessary projects. They may include, but are not limited to, modernization projects such as rolling stock purchases, yard improvements and PTC.

PE 5299 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

2018-2022 CAPITAL PROGRAM**CORE PROGRAM**

(\$ in thousands)

Description	2018	2019	2020	2021	2022	Total
Rolling Stock						
Locomotive Improvements	20,500	19,500	46,275	60,723	25,400	172,398
Car Rehabilitation	18,530	7,100	46,801	17,000	47,050	136,481
New Locomotives	0	21,750	26,865	51,880	25,012	125,507
New Cars	23,700	26,700	26,700	15,520	30,000	122,620
Fleet Component Overhaul	9,052	8,500	10,500	9,300	8,800	46,152
Subtotal	71,782	83,550	157,141	154,423	136,262	603,158
Track and Structure						
Ties and Ballast	12,500	6,250	6,500	6,500	7,000	38,750
Rail	9,765	8,495	11,145	7,067	7,900	44,372
Crossings (Road and Track)	4,500	6,500	5,000	3,575	1,575	21,150
Bridges	12,000	9,000	37,600	3,700	3,700	66,000
Structural Upgrades	850	1,050	1,050	950	950	4,850
Subtotal	39,615	31,295	61,295	21,792	21,125	175,122
Signal, Electrical and Communications						
Signal System Upgrades	2,000	6,500	7,000	11,000	12,000	38,500
Interlockings	6,000	10,300	15,100	10,300	4,300	46,000
Electrical System Improvements	1,702	1,100	1,100	900	900	5,702
Positive Train Control	30,000	19,500	0	0	0	49,500
Subtotal	39,702	37,400	23,200	22,200	17,200	139,702
Facilities and Equipment						
Yard Improvements	5,800	12,750	7,349	5,353	6,853	38,105
Building Improvements	1,200	200	200	500	500	2,600
Equipment and Vehicles	12,460	5,975	5,975	4,775	4,090	33,275
Financial Systems Replacement	4,900	2,500	2,500	2,500	5,000	17,400
Subtotal	24,360	21,425	16,024	13,128	16,443	91,380
Stations and Parking						
Stations & Parking	2,500	13,750	23,882	3,250	4,250	47,632
ADA Improvements	3,000	3,000	3,000	3,000	3,000	15,000
Subtotal	5,500	16,750	26,882	6,250	7,250	62,632
Support Activities						
Technical Studies	8,000	9,852	14,504	4,000	6,000	42,356
Project Administration	1,500	1,000	1,700	1,000	1,000	6,200
Metra Capital Funding	2,400	2,400	2,400	2,400	2,400	12,000
Locally Funded Projects	1,000	3,105	900	1,683	1,035	7,723
Contingencies	1,409	1,960	1,605	3,117	2,066	10,157
Unanticipated Capital	1,600	2,000	988	2,000	800	7,388
Subtotal	15,909	20,317	22,097	14,200	13,301	85,824
Grand Total*	\$196,869	\$210,737	\$306,639	\$231,993	\$211,581	\$1,157,819

*May Not Total Due to Rounding

Exhibit 15

2018-2022 CAPITAL PROGRAM**CORE PROGRAM**

(\$ in thousands)

Description	2018	2019 - 2022	Total
Rolling Stock	71,782	531,376	603,158
Track & Structure	39,615	135,507	175,122
Signal, Electrical & Communications	39,702	100,000	139,702
Facilities & Equipment	24,360	67,020	91,380
Stations & Parking	5,500	57,132	62,632
Support Activities	15,909	69,915	85,824
Grand Total	\$196,869	\$960,950	\$1,157,819

**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	35	171	37	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
Total				64	1	65	3	53	53	265	65	0	418.2	162.3
Electric Line	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
Total				47	0	47	0	22	0	0	0	186	102.3	40.6
Heritage Corridor**		Joliet, IL (Will Co.)	Chicago Union Station	5	0	5	0	5	**	**	**	**	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
Total***				41	0	41	0	37	41	143	53	0	186.4	83.9
North Central Service***		Antioch, IL (Lake Co.)	Chicago Union Station	15	0	15	0	15	***	***	***	***	85.0	52.8
SouthWest Service**		Manhattan, IL (Will Co.)	Chicago Union Station	12	0	12	0	12	**	**	**	**	59.3	40.8
Rock Island Line**	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
Total**				26	0	26	5	18	21	82	32	0	96.9	46.6
Downtown Stations				5	0	5	0	5						
System Totals*				240	1	241	13	184	150	661	187	186	1,154.9	487.5

*South Shore (NICTD) is not included.

**Rolling stock is allocated by District not line. The HC, SWS, are combined with the RI total.

***Rolling stock is allocated by District not line. The NCS is combined with the MD total.

Exhibit 17

METRA OPERATING AND SERVICE CHARACTERISTICS AS OF 2017

Carrier/Line		Revenue Trains			Train Miles Jul16-Jun17	Car Miles Jul16-Jun17	Average Scheduled Speeds			On-Time Performance	
		Weekday	Sat	Sun/Hol			Weekday Peak	Weekday Off-Peak	Weekend/Holiday	2016 Average	Jan-Jun17 Average
BNSF Railway		94	28	18	949,811	6,981,862	34.9	30.5	28.0	94.0%	95.5%
Union Pacific	North	70	26	18	758,726	4,359,931	30.5	28.9	30.1	97.8%	97.4%
	Northwest	65	24	15	942,188	6,299,320	33.9	32.7	34.0	96.3%	96.0%
	West	59	20	18	700,244	4,768,691	31.9	30.8	30.6	95.1%	94.4%
Total		194	70	51	2,401,158	15,427,941				96.5%	96.0%
Electric Line	Main Line	84	40	20	727,381	3,909,723	22.5	22.1	23.6	97.5%	97.7%
	Blue Island	27	8	0	154,635	516,124	32.5	28.4	28.1	98.7%	97.8%
	So Chicago	45	32	20	229,104	867,975	20.1	20.2	21.4	98.5%	98.2%
Total		156	80	40	1,111,121	5,293,822				98.1%	97.9%
Heritage Corridor		7	0	0	76,055	326,785	34.3	34.3	--	94.2%	94.1%
Milwaukee District	North	60	24	20	760,131	4,703,906	32.1	30.3	31.1	94.6%	95.5%
	West	58	24	18	660,881	4,495,660	29.5	29.3	29.0	94.9%	96.0%
Total		118	48	38	1,421,012	9,199,565				94.8%	95.8%
North Central Service		22	0	0	295,594	1,343,587	34.2	33.9	--	94.5%	94.3%
SouthWest Service		30	6	0	249,465	1,816,726	27.0	27.4	28.8	95.2%	95.6%
Rock Island Line		70	32	28	740,386	5,329,914	28.9	28.6	29.3	96.1%	96.5%
System Totals/Averages*		691	264	175	7,244,601	45,720,203	31.3	29.4	29.5	96.1%	96.4%

*South Shore (NICTD) is not included.

Exhibit 18

FORECASTED RIDERSHIP AND VEHICLE MILES: 2016-2020

	2016 Actual	2017 Projected*	2018 Forecast	2019 Forecast	2020 Forecast
Passenger Trips¹					
BNSF Railway	16,325,000	16,277,000	16,300,000	16,300,000	16,300,000
Union Pacific	28,779,000	28,413,000	28,100,000	28,100,000	28,100,000
Electric Line	8,642,000	8,238,000	7,900,000	7,900,000	7,900,000
Heritage Corridor	718,000	726,000	740,000	740,000	740,000
Milwaukee District	13,556,000	13,266,000	13,000,000	13,000,000	13,000,000
North Central Service	1,730,000	1,675,000	1,600,000	1,600,000	1,600,000
SouthWest Service	2,538,000	2,446,000	2,400,000	2,400,000	2,400,000
Rock Island Line	8,113,000	7,964,000	7,800,000	7,800,000	7,800,000
System Total**	80,402,000	79,005,000	77,800,000	77,800,000	77,800,000
Year-to-Year Change		-1.7%	-1.5%	0.0%	0.0%
Passenger Miles²					
BNSF Railway	380,489,000	379,369,000	379,400,000	379,400,000	379,400,000
Union Pacific	619,645,000	611,944,000	605,700,000	605,700,000	605,700,000
Electric Line	164,436,000	156,751,000	149,600,000	149,600,000	149,600,000
Heritage Corridor	19,926,000	20,145,000	20,400,000	20,400,000	20,400,000
Milwaukee District	319,377,000	312,472,000	306,000,000	306,000,000	306,000,000
North Central Service	54,612,000	52,873,000	51,300,000	51,300,000	51,300,000
SouthWest Service	48,246,000	46,489,000	44,700,000	44,700,000	44,700,000
Rock Island Line	170,279,000	167,154,000	164,300,000	164,300,000	164,300,000
System Total**	1,777,012,000	1,747,196,000	1,721,400,000	1,721,400,000	1,721,400,000
Year-to-Year Change		-1.7%	-1.5%	0.0%	0.0%
Revenue Car Miles					
BNSF Railway	6,315,000	6,258,000	6,300,000	6,300,000	6,300,000
Union Pacific	14,954,000	14,954,000	15,000,000	15,000,000	15,100,000
Electric Line	4,872,000	4,976,000	5,000,000	5,000,000	5,000,000
Heritage Corridor	290,000	296,000	300,000	300,000	300,000
Milwaukee District	8,968,000	8,941,000	8,900,000	8,900,000	8,900,000
North Central Service	1,338,000	1,331,000	1,200,000	1,200,000	1,200,000
SouthWest Service	1,817,000	1,809,000	1,800,000	1,800,000	1,800,000
Rock Island Line	4,967,000	4,967,000	4,700,000	4,700,000	4,700,000
System Total**	43,521,000	43,533,000	43,100,000	43,100,000	43,300,000
Year-to-Year Change		0.0%	-1.0%	0.0%	0.5%

*Based on January-August actuals

**South Shore (NICTD) is not included.

¹ - Based on Ticket Sales and Free Trips² - Based on Ticket Sales but does not include Free Trips

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

Exhibit 19

METRA COMMUTER RAIL STATIONS BY FARE ZONE

ZONE (mile post)	BNSF	ELECTRIC MAIN LINE	ELECTRIC BLUE ISLAND	ELECTRIC S. CHICAGO	HERITAGE	MILWAUKEE NORTH	MILWAUKEE WEST					
A (0.0-5.0)	Union Station*	0.0	Millennium	0.0		Union Station*	0.0	Union Station*	0.0			
	Halsted St	1.8	Van Buren	0.8		Western Ave	2.9	Western Ave	2.9			
	Western Ave	3.8	Museum Campus/ 11th St	1.4								
			18th St	2.2								
			McCormick Place	2.7								
B (5.1-10.0)		27th St	3.2									
	Cicero	7.0	47th St	5.9								
	LaVergne	9.1	53rd St	6.5	Stony Island	9.1	Healy	6.4	Grand/Cicero	6.5		
	Berwyn	9.6	56th St	7.0	Bryn Mawr	9.7	Grayland	8.2	Hanson Park	7.7		
	Harlem Ave	10.1	59th St	7.4	South Shore	10.3	Mayfair	9.0	Galewood	8.6		
			63rd St	7.9	Windsor Park	10.9			Mars	9.1		
					79th St	11.5			Mont Clare	9.5		
			75th St	9.3	83rd St	12.0						
C (10.1-15.0)			79th St	10.0	87th St	12.5						
					93rd St	13.2						
	Riverside	11.1	83rd St	10.4		Summit	11.9	Forest Glen	10.2	Elmwood Park	10.2	
	Hollywood	11.8	87th St	10.9				Edgebrook	11.6	River Grove	11.4	
	Brookfield	12.3	91st St	11.4				Morton Grove	14.3	Franklin Park	13.2	
	Congress Park	13.1	95th St	12.0						Mannheim	14.0	
	LaGrange Rd	13.8	103rd St	13.0								
	Stone Ave	14.2	107th St	13.5								
D (15.1-20.0)			111th St	14.0								
			Kensington	14.5								
	Western Springs	15.5	Riverdale	17.3	State St	15.6	Willow Springs	17.5	Golf	16.2	Bensenville	17.2
	Highlands	16.4	Ivanhoe	18.2	Stewart Ridge	16.0			Glenview	17.4	Wood Dale	19.1
	Hinsdale	16.9	147th St	19.0	W. Pullman	16.7			Glen/N.Glenview	18.8		
	W. Hinsdale	17.8	Harvey	20.0	Racine Ave	17.0						
	Clarendon Hills	18.3			Ashland Ave	17.9						
Westmont	19.5			Burr Oak	18.4							
E (20.1-25.0)			Blue Island	18.9								
	Fairview Ave	20.4	Hazel Crest	22.3		Lemont	25.3	Northbrook	21.1	Itasca	21.1	
	Main St	21.2	Calumet	22.8				Lake Cook Road	23.0	Medinah	23.0	
	Belmont	22.6	Homewood	23.5				Deerfield	24.2	Roselle	23.9	
F (25.1-30.0)	Lisle	24.5	Flossmoor	24.9								
	Naperville	28.5	Olympia Fields	26.6				Lake Forest	28.4	Schaumburg	26.5	
			211th St	27.6						Hanover Park	28.4	
G (30.1-35.0)			Matteson	28.2						Bartlett	30.1	
			Richton Park	29.3								
H (35.1-40.0)	Route 59	31.6	University Park	31.5		Lockport	32.9					
I (40.1-45.0)	Aurora	37.5				Joliet	37.2	Libertyville	35.5	National St	36.0	
								Prairie Crossing/ Libertyville	39.2	Elgin	36.6	
J (45.1-50.0)										Big Timber	39.8	
								Grayslake	41.0			
K (50.1-55.0)								Round Lake	44.0			
								Long Lake	46.0			
M (60.1-65.0)								Ingleside	47.8			
								Fox Lake	49.5			

* CUS=Chicago Union Station, # OTC=Ogilvie Transportation Center

ZONE (mile post)	NORTH CENTRAL SERVICE		ROCK ISLAND MAIN		ROCK ISLAND BRANCH		SOUTHWEST SERVICE		UNION PACIFIC NORTH		UNION PACIFIC NORTHWEST		UNION PACIFIC WEST		
A (0.0-5.0)	Union Station*	0.0	LaSalle	0.0			Union Station*	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	
B (5.1-10.0)			Gresham	9.8					Ravenswood	6.5	Irving Park	7.0	Oak Park	8.5	
									Rogers Park	9.4	Jefferson Park Gladstone Park	9.1 10.1	River Forest	9.7	
C (10.1-15.0)	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									
D (15.1-20.0)	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					
E (20.1-25.0)	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 Highwood	23.0 24.5			Wheaton	25.0	
F (25.1-30.0)	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	
G (30.1-35.0)	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					
H (35.1-40.0)	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			
I (40.1-45.0)	Washington St	43.9					Manhattan	40.8	Zion	42.1	Pingree Road	41.7	La Fox	40.9	
J (45.1-50.0)	Round Lk Beach	45.9							Winthrop Harbor	44.5	Crystal Lake	43.2	Elburn	43.6	
	Lake Villa	48.2													
K (50.1-55.0)	Antioch	52.8							Kenosha	51.5	McHenry	50.6			
M (60.1-65.0)											Woodstock	51.6			
											Harvard	63.1			

Exhibit 20

RIDERSHIP-RELATED STATISTICS: JULY 2016 - JUNE 2017

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		50,100	3,400	6,600	3,700	63,900	13,700	8,000	341,200	16,310,500	380,118,900	\$73,598,500	\$4.51	23.3
Union Pacific	North	22,400	5,700	4,200	2,400	34,700	9,000	5,600	188,100	9,145,000	151,323,100	\$36,544,500	\$4.00	16.5
	Northwest	29,400	2,700	5,000	2,500	39,600	11,500	7,600	217,100	11,098,400	277,403,000	\$51,540,400	\$4.64	25.0
	West	21,100	1,300	2,700	1,700	26,900	7,100	5,100	146,700	8,388,200	186,997,900	\$37,528,300	\$4.47	22.3
Total		72,900	9,700	11,900	6,600	101,200	27,600	18,300	551,900	28,631,600	615,724,000	\$125,613,200	\$4.39	21.5
Electric District	Main Line	19,800	700	3,000	1,300	24,800	5,400	2,900	132,300	7,433,000	148,074,000	\$30,975,900	\$4.17	19.9
	Blue Island	1,500	200	300	100	2,100	600	0	11,100	259,500	4,293,100	\$985,500	\$3.80	16.5
	So Chicago	3,000	600	900	300	4,700	1,600	800	25,900	753,800	8,468,500	\$2,071,300	\$2.75	11.2
Total		24,300	1,500	4,200	1,700	31,600	7,600	3,700	169,300	8,446,300	160,835,600	\$34,032,700	\$4.03	19.0
Heritage Corridor		2,400	0	100	0	2,400	0	0	12,000	732,900	20,345,500	\$3,488,900	\$4.76	27.8
Milwaukee District	North	16,100	2,800	2,500	1,400	22,800	5,300	3,600	122,900	6,883,600	157,409,300	\$31,285,000	\$4.54	22.9
	West	17,700	1,100	2,200	1,100	22,100	5,100	3,400	119,000	6,500,100	157,585,100	\$29,484,000	\$4.54	24.2
Total		33,800	3,900	4,700	2,500	44,900	10,400	7,000	241,900	13,383,700	314,994,400	\$60,769,000	\$4.54	23.5
North Central Service		4,900	200	500	200	5,800	0	0	29,000	1,705,900	53,641,200	\$8,894,000	\$5.21	31.4
SouthWest Service		8,200	100	800	400	9,600	400	0	48,400	2,487,300	47,182,300	\$10,528,700	\$4.23	19.0
Rock Island District		24,500	500	2,700	1,000	28,700	4,100	3,000	150,600	8,046,300	168,900,600	\$34,169,700	\$4.25	21.0
System Totals***		221,100	19,400	31,400	16,200	288,100	63,900	39,800	1,544,300	79,744,600	1,761,742,600	\$351,094,500	\$4.40	22.1

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 2016 - JUNE 2017

Carrier/Line		Between Chicago, IL (Cook County) and...	Monthly	Ten-Ride	Regular One-Way	Conductor One-Way	Weekend and Special Event
BNSF Railway		Aurora, IL (Kane County)	244,400	362,800	1,167,700	278,400	257,400
Union Pacific	North	Kenosha, WI (Kenosha County)	104,900	275,300	773,400	467,300	194,800
	Northwest	Harvard, IL (McHenry County)	149,700	248,200	969,400	398,400	287,300
	West	Elburn, IL (Kane County)	113,900	193,800	730,600	261,900	199,200
Total			368,500	717,300	2,473,300	1,127,700	681,300
Electric Line	Main Line	University Park, IL (Will County)	102,500	150,200	899,000	202,300	101,600
	Blue Island	Blue Island, IL (Cook County)	3,000	4,400	26,300	34,200	3,400
	So Chicago	Chicago, IL (Cook County)	6,800	18,700	119,600	80,500	3,900
Total			112,300	173,300	1,044,800	317,000	109,000
Heritage Corridor		Joliet, IL (Will County)	13,000	13,800	27,600	6,000	1,100
Milwaukee District	North	Fox Lake, IL (Lake County)	86,400	181,800	593,800	260,100	173,400
	West	Elgin, IL (Kane County)	90,400	121,600	602,300	275,200	160,300
Total			176,800	303,300	1,196,100	535,400	333,700
North Central Service		Antioch, IL (Lake County)	26,100	38,700	101,900	81,800	3,300
SouthWest Service		Manhattan, IL (Will County)	41,600	47,100	136,000	57,600	7,900
Rock Island Line		Joliet, IL (Will County)	125,400	148,300	600,500	213,800	112,500
System Totals*			1,108,100	1,804,500	6,747,900	2,617,400	1,506,000

*South Shore (NICTD) is not included.

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

Exhibit 22

2018 ADULT FARE SCHEDULE

Zone	Ticket	A	B	C	D	E	F	G	H	I	J	K	M
A	Monthly	\$116.00											
	Ten-Ride	38.00											
	One-Way	4.00											
B	Monthly	123.25	\$116.00							Weekend: \$10.00 Onboard Surcharge: \$5.00			
	Ten-Ride	40.50	38.00										
	One-Way	4.25	4.00										
C	Monthly	159.50	123.25	\$116.00									
	Ten-Ride	52.25	40.50	38.00									
	One-Way	5.50	4.25	4.00									
D	Monthly	181.25	159.50	123.25	\$116.00								
	Ten-Ride	59.50	52.25	40.50	38.00								
	One-Way	6.25	5.50	4.25	4.00								
E	Monthly	195.75	181.25	159.50	123.25	\$116.00							
	Ten-Ride	64.25	59.50	52.25	40.50	38.00							
	One-Way	6.75	6.25	5.50	4.25	4.00							
F	Monthly	210.25	195.75	181.25	159.50	123.25	\$116.00						
	Ten-Ride	69.00	64.25	59.50	52.25	40.50	38.00						
	One-Way	7.25	6.75	6.25	5.50	4.25	4.00						
G	Monthly	224.75	210.25	195.75	181.25	159.50	123.25	\$116.00					
	Ten-Ride	73.75	69.00	64.25	59.50	52.25	40.50	38.00					
	One-Way	7.75	7.25	6.75	6.25	5.50	4.25	4.00					
H	Monthly	239.25	224.75	210.25	195.75	181.25	159.50	123.25	\$116.00				
	Ten-Ride	78.50	73.75	69.00	64.25	59.50	52.25	40.50	38.00				
	One-Way	8.25	7.75	7.25	6.75	6.25	5.50	4.25	4.00				
I	Monthly	261.00	239.25	224.75	210.25	195.75	181.25	159.50	123.25	\$116.00			
	Ten-Ride	85.50	78.50	73.75	69.00	64.25	59.50	52.25	40.50	38.00			
	One-Way	9.00	8.25	7.75	7.25	6.75	6.25	5.50	4.25	4.00			
J	Monthly	275.50	261.00	239.25	224.75	210.25	195.75	181.25	159.50	123.25	\$116.00		
	Ten-Ride	90.25	85.50	78.50	73.75	69.00	64.25	59.50	52.25	40.50	38.00		
	One-Way	9.50	9.00	8.25	7.75	7.25	6.75	6.25	5.50	4.25	4.00		
K	Monthly	290.00	275.50	261.00	239.25	224.75	210.25	195.75	181.25	159.50	123.25	\$116.00	
	Ten-Ride	95.00	90.25	85.50	78.50	73.75	69.00	64.25	59.50	52.25	40.50	38.00	
	One-Way	10.00	9.50	9.00	8.25	7.75	7.25	6.75	6.25	5.50	4.25	4.00	
M	Monthly	319.00	304.50	290.00	275.50	261.00	239.25	224.75	210.25	195.75	181.25	159.50	\$116.00
	Ten-Ride	104.50	99.75	95.00	90.25	85.50	78.50	73.75	69.00	64.25	59.50	52.25	38.00
	One-Way	11.00	10.50	10.00	9.50	9.00	8.25	7.75	7.25	6.75	6.25	5.50	4.00

Exhibit 23

2018 SPECIAL USER FARE SCHEDULE

Zone	Ticket	A	B	C	D	E	F	G	H	I	J	K	M
A	Monthly	\$70.00											
	Ten-Ride	19.00											
	One-Way	2.00											
B	Monthly	70.00	\$70.00										
	Ten-Ride	19.00	19.00										
	One-Way	2.00	2.00										
C	Monthly	96.25	70.00	\$70.00									
	Ten-Ride	26.25	19.00	19.00									
	One-Way	2.75	2.00	2.00									
D	Monthly	105.00	96.25	70.00	\$70.00								
	Ten-Ride	28.50	26.25	19.00	19.00								
	One-Way	3.00	2.75	2.00	2.00								
E	Monthly	113.75	105.00	96.25	70.00	\$70.00							
	Ten-Ride	31.00	28.50	26.25	19.00	19.00							
	One-Way	3.25	3.00	2.75	2.00	2.00							
F	Monthly	122.50	113.75	105.00	96.25	70.00	\$70.00						
	Ten-Ride	33.25	31.00	28.50	26.25	19.00	19.00						
	One-Way	3.50	3.25	3.00	2.75	2.00	2.00						
G	Monthly	131.25	122.50	113.75	105.00	96.25	70.00	\$70.00					
	Ten-Ride	35.75	33.25	31.00	28.50	26.25	19.00	19.00					
	One-Way	3.75	3.50	3.25	3.00	2.75	2.00	2.00					
H	Monthly	140.00	131.25	122.50	113.75	105.00	96.25	70.00	\$70.00				
	Ten-Ride	38.00	35.75	33.25	31.00	28.50	26.25	19.00	19.00				
	One-Way	4.00	3.75	3.50	3.25	3.00	2.75	2.00	2.00				
I	Monthly	157.50	140.00	131.25	122.50	113.75	105.00	96.25	70.00	\$70.00			
	Ten-Ride	42.75	38.00	35.75	33.25	31.00	28.50	26.25	19.00	19.00			
	One-Way	4.50	4.00	3.75	3.50	3.25	3.00	2.75	2.00	2.00			
J	Monthly	166.25	157.50	140.00	131.25	122.50	113.75	105.00	96.25	70.00	\$70.00		
	Ten-Ride	45.25	42.75	38.00	35.75	33.25	31.00	28.50	26.25	19.00	19.00		
	One-Way	4.75	4.50	4.00	3.75	3.50	3.25	3.00	2.75	2.00	2.00		
K	Monthly	175.00	166.25	157.50	140.00	131.25	122.50	113.75	105.00	96.25	70.00	\$70.00	
	Ten-Ride	47.50	45.25	42.75	38.00	35.75	33.25	31.00	28.50	26.25	19.00	19.00	
	One-Way	5.00	4.75	4.50	4.00	3.75	3.50	3.25	3.00	2.75	2.00	2.00	
M	Monthly	192.50	183.75	175.00	166.25	157.50	140.00	131.25	122.50	113.75	105.00	96.25	\$70.00
	Ten-Ride	52.25	50.00	47.50	45.25	42.75	38.00	35.75	33.25	31.00	28.50	26.25	19.00
	One-Way	5.50	5.25	5.00	4.75	4.50	4.00	3.75	3.50	3.25	3.00	2.75	2.00

PUBLIC NOTICE

Commuter Rail Board (Metra) Public Hearings on Proposed Operating and Capital Program and Budget for Fiscal Year 2018.

PUBLIC NOTICE IS HEREBY GIVEN that the Commuter Rail Division of the Regional Transportation Authority (Metra) will hold public hearings on its proposed Operating and Capital Program and Budget for Fiscal Year 2018 (Jan. 1, 2018 to Dec. 31, 2018) which could include passenger fare revenue increases.

Possible proposed changes will result in an estimated increase of \$0.00 to \$0.25 on all full fare one-way tickets in all zones; an adult monthly fare ticket could increase \$0.00 to \$12.50 in all zones; an adult ten-ride ticket could increase \$0.00 to \$7.75 in all zones; a one-way reduced fare ticket could increase \$0.00 to \$0.25 in all zones; a monthly reduced fare ticket could increase \$0.00 to \$8.75 in all zones; a ten-ride reduced fare ticket could increase \$0.00 to \$5.00 in all zones; and a weekend ticket could increase \$2.00 and extend validity to include Friday evening.

The following service revisions are proposed:

SouthWest Service weekday Train No. 815 (departs CUS at 12:35 p.m.) will no longer terminate at Manhattan, but will instead terminate at 179th Street. SouthWest Service Train No. 830 (arrives CUS at 3:48 p.m.) will no longer originate from Manhattan, but will instead originate from 179th Street.

North Central Service weekday Train Nos. 106 (arrives CUS at 8:04 a.m.) will be eliminated. North Central Service weekday Train No. 108 will now arrive CUS at 8:12 a.m. (previous arrival time 8:11 a.m.) and will make all stops from Antioch to CUS except Rosemont, Schiller Park, and Franklin Park. Extra stops will be made to accommodate passengers who previously took Train No. 106. North Central Service weekday Train No. 111 (departs CUS at 4:58 p.m.) will be eliminated. North Central Service weekday Train No. 113 will depart CUS at 5:01 p.m. and will make all stops from CUS to Antioch except Rosemont, Schiller Park, and Franklin Park arriving at 6:38 p.m. (previous arrival time 6:27 p.m.) in Antioch. Extra stops will be made to accommodate passengers who previously took Train No. 111.

Rock Island Line weekday Train Nos. 622 (arrives LaSalle Street at 6:44 p.m.), 526 (arrives LaSalle Street at 7:42 p.m.), 532 (arrives LaSalle Street at 11:50 p.m.), and Train No. 533 (departs LaSalle Street at 12:30 a.m.) will be eliminated. Rock Island Line weekday Train No. 424 (arrives LaSalle Street at 6:28 p.m.) will now make all stops from Joliet to LaSalle Street via the Beverly Branch arriving at 6:45 p.m. Train No. 424 will accommodate Beverly Hills branch passengers who previously took Train No. 622. A new inbound Rock Island weekday train will depart Joliet at 8:30 p.m. and make all stops to Blue Island Vermont Street and express to Gresham making all stops to LaSalle Street arriving at 9:38 p.m. Rock Island Line Train No. 527 (departs LaSalle Street at 8:45 p.m.) will now depart at 9:15 p.m. Rock Island Line Train No. 529 (departs LaSalle Street at 9:45 p.m.) will now depart at 10:30 p.m. Rock Island Line Train No. 531 (departs LaSalle Street at 11:15 p.m.) will now depart at 11:45 p.m.

Milwaukee North Line Saturday Train Nos. 2606 (arrives CUS at 11:10 a.m.) and 2610 (arrives CUS at 1:10 p.m.) will be eliminated. Milwaukee North Line Saturday Train Nos. 2609 (departs CUS at 1:45 p.m.) and 2613 (departs CUS at 3:45 p.m.) will be eliminated. Milwaukee North Line Sunday Train Nos. 2606 (arrives CUS at 11:10 a.m.) and 2619 (departs CUS at 5:35 p.m.) will be eliminated.

PUBLIC NOTICE *(continued)*

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 Nov. 2, 2017. Written comments via U.S. mail can be sent to the attention of Karen Hullinger, Assistant Secretary to the Commuter Rail Board, Room 1300, 547 West Jackson Boulevard, Chicago, Illinois 60661. Comments will also be accepted via email to 2018budgetcomments@metrarr.com or FAXED to 312-322-7094. For budget year 2018, 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 proposed Operating and Capital Programmed Budget for Fiscal Year 2018 together with the Fiscal Years 2018-2020 Financial Plan, and Fiscal Years 2018-2022 Capital Program, will be available for public inspection after Oct. 10, 2017 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 www.metrarail.com website on Oct. 10, 2017 and will be available at city and village offices in the six-county northeast 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 to make these accommodations. Requests for service should be made to Katelyn Renteria at 312-322-6753.



Exhibit 24

**FY2018 METRA
PROGRAM AND BUDGET
PUBLIC HEARING SCHEDULE**

Nov. 1 4 p.m. - 7 p.m.	Nov. 2 4 p.m. - 7 p.m.
North Suburban Cook County Hanover Park Police Department Community Room 2011 West Lake Street Hanover Park, Illinois	McHenry County Crystal Lake City Hall City Council Chambers 100 West Woodstock Street Crystal Lake, Illinois
South Suburban Cook County Homewood Village Hall Village Board Room 2020 Chestnut Road Homewood, Illinois	Will County Will County Office Building County Board Room – 2nd Floor 302 North Chicago Street Joliet, Illinois
Lake County Mundelein Village Hall Village Board Room 300 Plaza Circle Mundelein, Illinois	Kane County Kane County Government Center Building A – 1st Floor Auditorium 719 South Batavia Avenue Geneva, Illinois
DuPage County Clarendon Hills Village Hall Village Board Room One North Prospect Avenue Clarendon Hills, Illinois	City of Chicago Metra Board Room 547 West Jackson Boulevard Chicago, Illinois

Exhibit 25

**FY2018 METRA PROPOSED
PROGRAM AND BUDGET
COUNTY BOARD PRESENTATIONS**

Date	Time	Location
Tuesday, Oct. 10, 2017	9:45 a.m.	Kane County Board Kane County Government Center 719 Batavia Road Geneva, Illinois
Wednesday, Oct. 11, 2017	11 a.m.	Cook County Board Cook County Board Room 118 North Clark Street Chicago, Illinois
Thursday, Oct. 19, 2017	9:30 a.m.	Will County Board Will County Board Room 302 N. Chicago Street Joliet, Illinois
Tuesday, Oct. 24, 2017	10 a.m.	DuPage County Board DuPage Center Administration Building 421 North County Farm Road Wheaton, Illinois
Thursday, Nov. 9, 2017	9 a.m.	McHenry County Board McHenry County Board Room 667 Ware Road Woodstock, Illinois
Tuesday, Nov. 14, 2017	9 a.m.	Lake County Board Lake County Board Room 18 N County Street, 10th Floor Waukegan, Illinois

Commuter Rail Board Ordinance No. MET 17-17

2018 OPERATING AND CAPITAL PROGRAM AND BUDGET (JANUARY 1, 2018 TO DECEMBER 31, 2018),
THE 2019-2020 FINANCIAL PLAN, AND THE 2018-2022 CAPITAL PROGRAM

RECITALS

- A. This 2018 Operating and Capital Program and Budget (January 1, 2018 to December 31, 2018), the 2019-2020 Financial Plan, and the 2018-2022 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 6, 2017 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) and service changes are necessary as specified and set forth in the published 2018 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. Furthermore, the Commuter Rail Board has reviewed and determined that the service change outlined as part of the budget process, effective February 5, 2018 would not be considered "major" as defined by Metra Major Service Change Policy, adopted on September 21, 2016. Accordingly, Metra is not required to complete an equity analysis regarding this service change.
- 3. The Commuter Rail Board hereby approves the 2018 Operating and Capital Program and Budget (January 1, 2018 to December 31, 2018), the 2019-2020 Financial Plan, and the 2018-2022 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.
- 4. 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.
- 5. Section 5 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, 2018 and ending December 31, 2018. Authorization is hereby given that the programs and projects herein named may be implemented, or actions toward their implementation taken, during said fiscal year.
- 6. Sections 7 through 9 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 10 through 12 of this Ordinance for the fiscal year beginning January 1, 2018 and ending December 31, 2018. Sections 10 through 12 of this Ordinance shall constitute the Annual Budget for capital project and technical study expenditures incurred during the fiscal year beginning January 1, 2018 and ending December 31, 2018. Funds available from all sources during 2018 not identified herein for use in the operating or capital budget are to be used for potential funding shortfalls and working cash.

7. The estimated Commuter Rail Division Operating Funds expected to be available from all sources during 2018 are (in 000's):

Total Operating Revenues (excluding Capital Farebox Revenues)	\$390,837
Metra 2018 Sales Tax 1	301,000
Metra 2018 Sales Tax 2 & PTF 2 (New Transit Funding)	101,393
RTA Joint Self Insurance Fund	2,500
<u>Transportation Security Grant</u>	<u>1,500</u>
Total Sources of Operating Funds	<u>\$797,230</u>

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

Operating Commuter Rail Division Services and Support	<u>\$797,230</u>
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9. The following are 2018 estimates of the revenues and expenses for the Commuter Rail Division (in 000's):

Operating Revenues	\$390,837
Operating Expenses	<u>797,230</u>
Total Funded Deficit	<u>\$406,393</u>

10. 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, 2017, is hereby reappropriated to meet all obligations of the Commuter Rail Division incurred during the fiscal year beginning January 1, 2018 and ending December 31, 2018 (in 000's):

Total	<u>\$963,770</u>
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11. The estimated Commuter Rail Division Capital Funds expected to be available from all sources to finance the 2018 Capital Program are (in 000's):

Federal Transit Administration	\$171,664
RTA Innovation, Coordination & Enhancement	4,905
<u>Metra 2018 Capital Farebox Revenues</u>	<u>20,300</u>
Total Sources of 2018 Capital Funds	<u>\$196,869</u>

12. 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, 2018 and ending December 31, 2018 (in 000's):

Rolling Stock	\$71,783
Track & Structure	39,615
Signal, Electrical & Communications	39,702
Support Facilities & Equipment	24,360
Stations & Parking	5,500
<u>Support Activities</u>	<u>15,909</u>
Total Uses of 2018 Capital Funds	<u>\$196,869</u>

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
 312.322.8093 (Fax)
 or
 Visit our website at www.metrarail.com

METRA'S CITIZENS ADVISORY BOARD MEMBERSHIP

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 Representing Will County

Robert J. Nunamaker

Appointed by former Director Jack Schaffer
 Representing McHenry County

Dave L. Walker

Appointed by former Director Marty Oberman
 Representing the city of Chicago

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