



CAPITOL CORRIDOR

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INTERCITY PASSENGER RAIL SERVICE
Business Plan Update
FY 2010-11 - FY 2011-12

CAPITOL CORRIDOR
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BUSINESS PLAN UPDATE
FY 2010-11- FY 2011-12
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PREPARED BY
CAPITOL CORRIDOR JOINT POWERS AUTHORITY

PREPARED FOR
STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY



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EXECUTIVE SUMMARY

Introduction. This Business Plan Update presents an overview of the Capitol Corridor Joint Powers Authority’s (CCJPA’s) strategic plan and funding request for the next two fiscal years (FY 2010-11 and FY 2011-12), to be submitted to the Secretary of the Business, Transportation and Housing Agency (BT&H) in April 2010. It also outlines the service and capital improvements that have contributed to the Capitol Corridor’s growth, identifies needed improvements to sustain this growth, and incorporates customer input as detailed in Chapter 263 of State Law.

TO MAINTAIN ITS 11-YEAR TRACK RECORD OF SUCCESS, THE CCJPA WILL NEED THE RESOURCES FOR THE NEXT PHASE OF INFRASTRUCTURE IMPROVEMENTS AND ROLLING STOCK ACQUISITION TO MEET FUTURE SERVICE DEMANDS.

The CCJPA is governed by a Board of Directors comprised of 16 elected officials from six member agencies along the 170-mile Capitol Corridor rail route (see Figure 1-1):

- Placer County Transportation Planning Agency (PCTPA)
- Solano Transportation Authority (STA)
- Yolo County Transportation District (YCTD)
- Sacramento Regional Transit District (Sac RT)
- San Francisco Bay Area Rapid Transit District (BART)
- Santa Clara Valley Transportation Authority (VTA)

As administrator of the service, the CCJPA’s primary focus is the continuous improvement of the Capitol Corridor train service through effective cost management, revenue enhancement, and customer-focused delivery of a safe, frequent, reliable, and environmentally-friendly transportation alternative to the congested I-80, I-680, and I-880 highway corridors.

History. The Capitol Corridor service began in December 1991 with six daily trains between San Jose and Sacramento. The CCJPA assumed management responsibility for the service in October 1998. Since then, it has grown into the third busiest intercity passenger rail service in the nation. In August 2006, the CCJPA expanded service by 33% from 24 to 32 weekday trains between Sacramento and Oakland, and 14 daily trains between Oakland and San Jose. This expansion was accomplished with two minimal increases in State budget by growing ridership and revenue, reallocating funds for more efficient use, and making cost-effective service changes.

Operating Plan. With its current operating plan, the CCJPA has reached its maximum capacity in terms of rolling stock and service frequency along the core route (Sacramento – Oakland). To maintain its 11-year track record of success, the CCJPA will need the resources and support to begin the next phase of infrastructure improvements and rolling stock acquisition to meet future service demands. Based on preliminary estimates, the FY 2010-11 and FY 2011-12 budgets will increase slightly compared to the FY 2009-10 final operating contract due to rising labor and health care expenses. During the next few months, the CCJPA will work with Amtrak to reduce operating expenses and implement strategic fare adjustments to offset any budget increases. Anticipated CCJPA operating plan and expenses are as follows:

Capitol Corridor Service	FY 2010-11	FY 2011-12
Sacramento – Oakland	32 weekday trains (22 weekend)	32 weekday trains (22 weekend)
Oakland – San Jose	14 daily trains	14 daily trains
Sacramento – Roseville	2 daily trains (with plans for up to 6)	2 daily trains (with plans for up to 6)
Roseville – Auburn	2 daily trains (with plans for up to 4)	2 daily trains (with plans for up to 4)
Total Budget (Operations, Marketing & Administration)	\$32,134,726	\$31,901,300
% Change vs. FY 2009-10	+3.3%	+2.6%

Future operations are endangered by various gas tax swap proposals for the FY 2010-11 State Budget. These proposals significantly alter dedicated funding for intercity passenger rail and potentially jeopardize grant applications for the federally-administered High Speed Intercity

Passenger Rail (HSIPR) Program. CCJPA is working with its partners to retain the established operating funding sources intended for intercity passenger rail operations.

Performance Standards. In April 2005, the CCJPA Board updated its Vision Plan, which established standards for the Capitol Corridor in usage (ridership), cost efficiency (system operating ratio), and reliability (on-time performance), and strengthened partnerships with the service operators – Amtrak and the Union Pacific Railroad (UPRR).

- Ridership decreased 5.5% in FY 2008-09; to date, FY 2009-10 ridership is down 8.9%.
- Revenue decreased 1.4% in FY 2008-09; to date, FY 2009-10 revenue is up 2.4%.
- System operating ratio (a.k.a. farebox return) decreased to 47% in FY 2008-09; to date, the FY 2009-10 operating ratio is 45%, primarily due to increased operating expenses and ridership below projections.
- On-time performance (OTP) improved to 93% in FY 2008-09, due to improved UPRR dispatching; to date, FY 2009-10 OTP is at 92.1%, continuing the trend from the prior year.

The table below summarizes the standards and results for FY 2008-09 and FY 2009-10 (through January 2010) as well as the standards for the next two fiscal years (see Appendix C):

Performance Standard	FY 08-09			FY 09-10			FY 10-11	FY 11-12
	Actual	Standard	% Change	Actual	Standard	% Change	Standard	Standard
Route Ridership	1,599,6250	1,458,600	-9.4%	617,187 (through 2/10)	655,537 (through 2/10)	-5.9%	1,602,205	1,596,500
System Operating Ratio (train and feeder bus)	47%	50%	-3.0%	45.0% (through 2/10)	49%	-4.0%	49%	49%
On-Time Performance	93%	90%	+3.0%	92.0% (through 2/10)	90%	2.4%	90%	90%

Capital Improvement Program. The CCJPA's Capital Improvement Program (CIP) is consistent with regional and State transportation plans (e.g. Regional Transportation Plans, [RTPs] and Caltrans' 10-Year Statewide Rail Plan). The CIP includes projects to increase reliability and capacity, build or renovate stations, add rolling stock, reduce travel times and enhance safety and security. The CIP projects also reduce our impact on the environment and increase the movement of goods.

THE CREATION OF THE NEW FEDERALLY ADMINISTERED HSIPR CAPITAL GRANT PROGRAM WILL HELP TO STABILIZE FUNDING FOR INTERCITY RAIL SERVICES. HOWEVER, CONTINUED STATE CAPITAL FUNDING IS NECESSARY TO MAXIMIZE HSIPR GRANTS.

Previous funding uncertainty at the State and Federal level, which slowed accomplishment of CCJPA service objectives, is achieving some clarity in 2010. CCJPA, with its implementing partners, received \$29.2 million in capital grants from the initial launch of \$8 billion Federal Railroad Administration (FRA) High Speed Intercity Passenger Rail (HSIPR) five-year capital grant program which will have an additional \$2.5 billion in FY 2010. State funding bonds authorized by the voters (Propositions 1A/1B) as well as a State Supreme Court decision to retain support for transportation through the Public

Transportation Account mean that State funds – including bonds – are expected to become timely funding matches to the HSIPR program.

Marketing Strategies. The CCJPA's marketing strategies for FY 2010-11 and FY 2011-12 will focus on directives set forth in the updated Vision Plan to enhance awareness of the Capitol Corridor brand. Marketing programs and campaigns will target markets with available seating capacity to raise awareness of transit connections, strategic partnerships, enhanced customer service, and amenities to attract and retain loyal riders.

Action Plan. With the State continuing to experience budget deficits, the CCJPA will strengthen its focus on working with our service delivery and marketing partners to maintain the high level of reliability and customer satisfaction to retain and grow ridership. We anticipate that State funds will be available to match HSIPR capital grant funds. The reinvigorated CIP will allow the CCJPA to meet its near-term expansion goals for added trains to/from San Jose/Silicon Valley and Placer County. Blending these strategies will position the CCJPA to take the Capitol Corridor to the next level as the premier intercity passenger rail service in the nation.

1. INTRODUCTION

This Business Plan Update modifies the Capitol Corridor Joint Powers Authority's (CCJPA's) Business Plan Update submitted to the Secretary of the Business, Transportation and Housing Agency (BT&H) every April. Due to the current economic downturn, and since new rolling stock will not be delivered for three to four years, the CCJPA's plan is to maintain current Capitol Corridor service levels at 32 weekday (22 weekend day) trains between Sacramento and Oakland, and 14 daily trains between Oakland and San Jose in FY 2010-11 and FY 2011-12. This Business Plan Update identifies the service and capital improvements that have contributed to the Capitol Corridor's growth during the past 11 years. It also incorporates customer input detailed in Chapter 263 of State Law that allowed for the transfer of the Capitol Corridor service to the CCJPA on July 1, 1998.

DUE TO THE CURRENT ECONOMIC DOWNTURN, AND SINCE NEW ROLLING STOCK WILL NOT BE DELIVERED FOR THREE TO FOUR YEARS, THE CCJPA'S PLAN IS TO MAINTAIN CAPITOL CORRIDOR SERVICE LEVELS AT 32 WEEKDAY TRAINS BETWEEN SACRAMENTO AND OAKLAND, AND 14 DAILY TRAINS BETWEEN OAKLAND AND SAN JOSE IN FY 2010-11 AND FY 2011-12.

As part of that transfer, the CCJPA is required to prepare an annual Business Plan that identifies the current fiscal year's operating and marketing strategies; capital improvement plans for the Capitol Corridor; and the funding request to the Secretary of BT&H for the CCJPA's operating, administrative, and marketing costs for inclusion in the State Budget proposal to the Legislature.

The CCJPA is governed by a Board of Directors comprised of 16 elected officials from six member agencies along the 170-mile Capitol Corridor rail route (see Figure 1-1):

- Placer County Transportation Planning Agency (PCTPA)
- Solano Transportation Authority (STA)
- Yolo County Transportation District (YCTD)
- Sacramento Regional Transit District (Sac RT)
- San Francisco Bay Area Rapid Transit District (BART)
- Santa Clara Valley Transportation Authority (VTA)

Ex-officio members of the CCJPA include the Metropolitan Transportation Commission (MTC) and the Sacramento Area Council of Governments (SACOG), the Metropolitan Planning Organizations (MPOs) along the route.

As administrator for the Capitol Corridor, the CCJPA's responsibilities include overseeing day-to-day train and motorcoach scheduling and operations; reinvesting operating efficiencies into service enhancements; overseeing Amtrak's deployment and maintenance of rolling stock for the Capitol Corridor and San Joaquin trains; and interfacing with Amtrak and the UPRR on dispatching, engineering, and other railroad-related issues.

Presently, the Capitol Corridor serves 16 stations along the 170-mile rail corridor connecting Placer, Sacramento, Yolo, Solano, Contra Costa, Alameda, San Francisco (via motorcoach), and Santa Clara counties. The train service parallels the I-80/I-680 highway corridor between Sacramento and Oakland, and I-880 between Oakland and San Jose. In addition, the Capitol Corridor connects outlying communities to the train service via a dedicated motorcoach bus network and partnerships with local transit agencies that assist passengers traveling to destinations beyond the train station.

Capitol Corridor services are developed with input from our riders, private sector stakeholders (such as Chambers of Commerce), and public sector stakeholders (such as local transportation agencies), along with the entities who help deliver the Capitol Corridor service – Amtrak, the UPRR, Caltrans, and the various agencies and communities that are along the Capitol Corridor.

**Figure 1-1
Map of Capitol Corridor Service Area**



In April 2005, the CCJPA updated its Vision Plan, which identifies short- and long-term goals to guide the operating and capital development plans of the Capitol Corridor during the next five to 20 years. The April 2005 update has been incorporated into this Business Plan.

2. HISTORICAL PERFORMANCE OF THE SERVICE

On December 12, 1991, the State of California Department of Transportation (Caltrans) and the National Railroad Passenger Corporation (Amtrak®) initiated the Capitol Corridor intercity train service with six daily trains between San Jose and Sacramento. In 1996, legislation was enacted to establish the Capitol Corridor Joint Powers Authority (CCJPA), a partnership among six local transportation agencies to share in the administration and management of the Capitol Corridor® intercity train service.

In July 1998, an Interagency Transfer Agreement (ITA) transferred the operation of the Capitol Corridor service to the CCJPA for an initial three-year term. The CCJPA now operates and manages the Capitol Corridor service through an operating agreement with Amtrak. In July 2001, the ITA was extended for another three-year term through June 2004. In September 2003, legislation was enacted that eliminated the sunset date in the ITA and established the current, permanent governance structure for the CCJPA.

Appendix A presents an overview of the financial performance and ridership growth of the Capitol Corridor service since its inception in December 1991.

3. OPERATING PLAN AND STRATEGIES

The CCJPA aims to meet the travel and transportation needs of Northern Californians by providing safe, frequent, reliable, and environmentally-friendly Capitol Corridor intercity train service.

Train Service and Recent Expansions

In response to growing demand, the CCJPA expanded service in October 2002, January 2003, and April 2003 to achieve a schedule of 24 weekday trains between Sacramento and Oakland, using the same State budget allocated for 18 daily trains. In August 2006, with another flat

budget allocation, the CCJPA increased service to 32 weekday (22 weekend day) trains between Sacramento and Oakland, and 14 daily trains between Oakland and San Jose. This expansion was made possible with the completion of Phase 1 of the Oakland-to-San Jose track improvements and the Yolo Causeway second main track (completed in February 2004). Together, these projects contributed to a 10-minute reduction in travel time between Sacramento and Oakland, in addition to more frequent service.

ONE OF THE MOST COST EFFECTIVE CAPITAL IMPROVEMENTS IS TO INCREASE SEATING CAPACITY BY ADDING MORE RAIL CARS TO THE EXISTING SCHEDULED TRAINS. THIS IS PRACTICALLY THE ONLY MEANS OF GROWING RIDERSHIP DURING CONGESTED PEAK HOURS.

The August 2006 service expansion, which initiated hourly service between Sacramento and Oakland, represented a major milestone in the CCJPA's management of the Capitol Corridor. Expanding this hourly train service to and from San Jose will require additional rolling stock and further track capacity improvements (see Section 7). One of the most cost-effective capital improvements is to increase seating capacity by adding more rail cars to the existing scheduled trains. This is practically the only means of growing ridership during the increasingly congested peak hours.

The benefits of these service expansions and corresponding track capacity improvements and train equipment acquisitions have enabled the Capitol Corridor to increase market share and sustain significant growth in ridership (+245%) and revenues (+276%) during the past 11 years. Today, the Capitol Corridor is the third busiest route in the Amtrak national system.

Motorcoach Service and Transit Connections

To supplement train service, the Capitol Corridor provides dedicated motorcoach bus connections to San Francisco and communities south of San Jose and east of Sacramento. In addition, the CCJPA works with its partners and local transit agencies to offer expanded options for transit connections throughout the corridor. Currently, the train service connects with the BART system at the Richmond and Oakland Coliseum stations; Caltrain service (Gilroy – San Jose – San Francisco) at San Jose Diridon station; the Altamont Commuter Express service (Stockton – Livermore – San Jose) at the Fremont/Centerville, Great America/Santa Clara, and San Jose Diridon stations; San Joaquin intercity trains at the Oakland Jack London, Emeryville, Richmond, Martinez, and Sacramento stations; VTA light rail at Great America and San Jose Diridon stations; and Sac RT light rail at Sacramento station. Together with these local transit systems, the Capitol Corridor covers the second-largest urban service area in the Western United States.

The CCJPA offers several programs to enhance transit connectivity. BART tickets are sold at a 20% discount onboard the Capitol Corridor trains to facilitate transfers to BART at the Richmond and Oakland Coliseum stations. The Transit Transfer Program allows Capitol Corridor passengers to transfer free of charge to participating local transit services, including AC Transit, Sac RT, Rio Vista, E-Tran (Elk Grove), Yolobus, Unitrans, County Connection (Martinez), Santa Clara VTA, Suisun-Fairfield Transit, Benicia Transit, and WestCAT. The CCJPA reimburses the transit agencies for each transfer collected as part of our operating expenses. CCJPA also partners with Santa Cruz Metro and Monterey-Salinas Transit, sharing operating costs for the benefit of both agencies and their riders.

FY 2009-10 Operating Plan

The CCJPA’s operating plan for FY 2009-10 maintains the same service levels as FY 2008-09:

- Sacramento – Oakland: 32 weekday trains (22 weekend day trains)
- Oakland – San Jose: 14 daily trains
- Sacramento – Roseville – Auburn: 2 daily trains (the service plan can support up to 6 daily trains to/from Roseville and 4 daily trains to/from Auburn; however, the addition of trains to Placer County is contingent upon securing approval from UPRR)

FY 2010-11 and FY 2011-12 Operating Plan

FY 2010-11. The CCJPA’s operating plan for FY 2010-11 will maintain at least the same service levels as FY 2009-10.

FY 2011-12. The CCJPA’s operating plan for FY 2011-12 will remain the same as for FY 2010-11. Additional rail equipment may be added to the fleet to provide greater seating capacity if any of the coach cars ordered with Proposition 1B funding are delivered during the year.

One issue of significant concern to CCJPA is the consideration of several gas tax swap proposals as part of the development of the FY 2010-11 State budget. Several prior proposals for the gas tax affecting the Public Transportation Account (PTA) would eliminate or greatly reduce all state operating assistance to local transit, including Capitol Corridor and the other California Intercity Passenger Rail services (CA-IPR). By essentially eliminating the only dedicated funding source for the State’s intercity passenger rail program, any one of the gas tax swap proposals could jeopardize the State’s current and future FRA High Speed Intercity Passenger Rail (HSIPR) Program capital grant applications as this federal funding is contingent on identifying dedicated long-term state funding sources for the Capitol Corridor and other intercity train services.

IN RESPONSE TO SEVERAL GAS TAX SWAP PROPOSALS FOR THE FY 2010-11 STATE BUDGET, THE STATE ASSEMBLY PREPARED A PROPOSAL WHICH WOULD PROVIDE A STEADY STREAM OF FUNDS TO FULLY-FUND THE ON-GOING ANNUAL CA IPR PROGRAM, ALLOWING IT TO SURVIVE AND EXPAND PER THE STATE RAIL PLAN.

Recent activities in the Senate and Assembly have countered such transit-harmful proposals. A recent State Assembly prepared proposal which would retain and increase (by 1.75%) the sales tax on diesel would provide a steady stream of on-going funds to local transit agencies and fully-fund the annual CA-IPR program - operations, staffing, marketing, and equipment renovations - allowing the CA IPR Program to survive and expand plus provide the ability to apply for FRA capital grants. Both the Assembly and Senate passed this legislation which was forwarded to the Governor for enactment. However, on March 15, 2010, the Governor threatened to veto the package of gas tax swap budget bills explaining that the bills did not provide tax relief for consumers at the pump and the package raises taxes. As if this writing, the CCJPA understands that the legislative leaders may repackage the proposal and submit it in the next few weeks to address the governor’s concerns while also maintaining funds for public transportation.

4. SHORT- AND LONG-TERM CAPITAL IMPROVEMENT PROGRAM

The CCJPA has developed a Capital Improvement Program (CIP) in partnership with the UPRR, Amtrak, and the State of California, which will be used to continuously improve the Capitol Corridor's reliability, travel times, on-time performance, and safety/security. Since the inception of the Capitol Corridor service, more than \$872 million from a mixture of funding sources has been invested to purchase rolling stock, build or renovate stations, upgrade track and signal systems for increased capacity, and construct train maintenance and layover/storage facilities.

The CCJPA has secured (after several years of State budgetary delay) \$18.55 million for projects designed to improve the Capitol Corridor service and safety and security. These improvements will also benefit the UPRR. CCJPA is also involved as a partner with other rail agencies or local jurisdictions for other CIP projects. A list of CIP projects that have been completed or are currently underway is included in Appendix B.

Historically, the primary funding source for capital projects was the State through the State Transportation Improvement Program (STIP), a biennial transportation funding program, and periodic general obligation bonds (Propositions 108, 116, 1A, and 1B). Special programs or direct project allocations from the State, such as the Traffic Congestion Relief Program (TCRP), or regional funds, such as Bay Area Regional Measure 2 (RM-2), have periodically supplemented these sources. In recent years, State budgets have become increasingly unreliable by regularly deferring programming capacity to out-years, making it impossible for the CCJPA to carry out the CIP.

THE LACK OF RELIABLE STATE CAPITAL FUNDING OVER THE PAST FEW YEARS HAS LED TO A SITUATION WHERE THERE ARE NO OFFICIALLY PROGRAMMED SHORT-TERM CAPITAL IMPROVEMENTS OTHER THAN MINOR SAFETY AND SECURITY PROJECTS. HOWEVER, ESTABLISHMENT OF THE HSIPR PROGRAM AT THE FEDERAL LEVEL CAN BEGIN TO RESTORE THE CCJPA'S CIP.

While State capital funding continues to be uncertain, the creation of the Federal Railroad Administration's (FRA's) High Speed Intercity Passenger Rail (HSIPR) program with an initial grant capacity of \$8 billion (from the American Reinvestment and Recovery Act [ARRA]) has established a new federal capital grant source for intercity passenger rail. CCJPA, together with the City of Sacramento and Caltrain, was awarded \$29.2 million of the \$8 billion HSIPR program. Over the next five years the HSIPR program will be supplemented with additional funding appropriations through the Passenger Rail Investment and Improvement Act (PRIIA). The Federal FY 2010 appropriations include \$2.5 billion for capital grants to support the HSIPR program. This hopefully will breathe new life into the CIP. However, this FY 2010 and future Federal funding is contingent on establishing stable and reliable State funding capital as well as maintaining operating fund sources.

With the introduction of the Federal PRIIA funding program – which requires a minimum 20% non-Federal match – CCJPA is more pressured than ever to identify a reliable State source of funding for long-term capital planning and programming.

Current Capital Improvements (FY 2008-09 – FY 2009-10)

The CCJPA's entire 2006 STIP allocation of \$2 million was used for the Capitalized Maintenance Program, a series of track improvement upgrades along the route which helped establish the Capitol Corridor service as the most reliable multi-frequency passenger rail service in the Amtrak national system. Current capital expenditures underway include \$7.5 million for Phase 2 of the Bahia crossover and a \$10 million track and station upgrade at the Emeryville Station, which was only recently re-activated after being on hold for three years. Proposition 1B funding provided by the California Emergency Management Agency to support implementation of safety and security projects (\$1.9 million per year for the Capitol Corridor) is also currently in place with specially identified Transit Safety and Security funds. Several projects led by other organizations are also underway or programmed which will benefit the Capitol Corridor service.

The most notable change to CCJPA's CIP (along with partners who implement aspects of the CIP) for FY 2009-10 is the receipt of \$29.2 million of the initial \$8 billion phase of the HSIPR

program. In August 2009, CCJPA with its partners at the City of Sacramento and Caltrain applied for Track 1 (“shovel-ready”) HSIPR-ARRA funding with the Federal Railroad Administration. These funds did not require a State or local match. Three of the six projects submitted were awarded HSIPR grants. Two of the three projects are being implemented by CCJPA’s partners; the Sacramento Rail Relocation project and San Jose Station Improvements utilize additional funding sources and are, respectively, nearly ready for bid, or have already been awarded. Along with the third HSIPR grant for the CCJPA’s Yolo West Crossover, the CCJPA expects that, true to the Track 1 “shovel ready” criteria, that CCJPA and partners will have these projects underway within six months, well within the completion requirements of 24 months. See Table 4-1 for all projects underway or programmed.

Short-Term Capital Improvements (FY 2010-11 – FY 2013-14)

The lack of reliable State capital funding over the past few years has led to a situation where there are no officially programmed short-term capital improvements other than minor safety and security projects. However, several positive developments may contribute to a healthier CIP in 2010, a State Supreme Court decision in favor of maintaining passenger rail funding through the Public Transportation Account (PTA); future HSIPR grants to come through the proposed \$2.5 billion FY 2010 grant program; and the prior passage of State Propositions 1A and 1B.

In the short term, the CCJPA anticipates submitting several program/project applications during the five-year HSIPR program. In FY 2010 the funding is set at \$2.5 billion and requires at least a 20% non-Federal match. The HSIPR legislation allows for prior non-Federal fund expenditures since 2004 to be eligible for the match. The funds CCJPA and its project partners have spent since 2004 (e.g., prior Oakland to San Jose Phase 1 State funds) can be used as a match to future HSIPR grants.

The CCJPA and Caltrans, owner of the rolling stock, have both recognized the need for additional rolling stock to expand seating capacity and grow the State’s intercity rail services. Understanding that additional rolling stock is a major investment, Caltrans is now working through a partnership with Amtrak and revising a prior equipment specification to develop a joint specification with Amtrak to enable a larger (and less costly per unit) car order to be realized. This specification will be the first generation standard bi-level car specification upon completion and will be incorporated into a Request for Proposal in the first quarter of calendar year 2010. While working on the joint specification, Caltrans was also pursuing the funding to acquire rolling stock. With the support of CCJPA, Caltrans was prepared to request Federal funding for the additional rolling stock through the HSIPR-ARRA program. However, the application was not authorized under direction of the Governor’s Office who wanted California’s application for FRA’s Track 2 HSIPR-ARRA program to include only High Speed Rail projects. As a federally recognized entity, with respect to future HSIPR applications for rolling stock, the CCJPA has the option to go through the State (Caltrans) or directly to the FRA with Amtrak on this order of new bi-level passenger cars. If successful, such an order will allow the CCJPA to add cars to existing crowded trainsets and also meet consistent sizing requirements for service expansion plans to San Jose and Placer County. A preliminary analysis by the CCJPA indicates the need for 24 cars (12 cab control, 8 upper level diners, and 4 coaches) to meet service requirements and passenger demand over the next five to ten years.

All potential Federal HSIPR funding sources are competitive across the nation. However, the lack of reliable State funding sources as well as restrictions on programming are creating difficulties in meeting Federal mandates. Federal law requires that a Positive Train Control (PTC) system be in place by 2015. The CCJPA in partnership with UPRR will have to, at a minimum, participate with Caltrans to retrofit the rolling stock to communicate with both UPRR’s and the Burlington Northern Santa Fe’s (BNSF) wayside PTC equipment (the rolling stock is shared with the San Joaquins which operate on BNSF territory). CCJPA will also need to work with UPRR to identify CCJPA’s share of UPRR’s installation of wayside PTC equipment. The lack of an identified State and Federal source of funding to accomplish this mandate is daunting given the limited time to install and implement PTC by 2015, however, the CCJPA can utilize upwards of

\$13.5 million in Proposition 1B (Transit Safety/Security) funding as some amount of possible funding for the CCJPA's share of wayside PTC installation.

The Proposition 1A (California High Speed Rail) bonds, approved by California voters in the November 2008 general election, are an encouraging source of matching funds. Of the \$9.95 billion allotted for the high speed train system, \$190 million is designated for the State's intercity rail corridors to connect with high speed trains. Each of the three existing corridors should get \$47.5 million, with the remaining \$47.5 million to be allocated on a competitive basis. The California Transportation Commission (CTC) has developed guidelines to allocate these Proposition 1A bond funds to connecting intercity rail and mass transit services. The CCJPA is optimally positioned to be a distributor and connecting service to the high speed trains. As such, it has identified a list of track infrastructure projects to add Capitol Corridor trains to/from San Jose (a major high speed train terminal) and Placer County (with Sacramento being a future high speed intermodal terminal). When this funding is released for expenditure as the voters intended, it will become an excellent match for the HSIPR Federal funding program to allow the CCJPA to advance and complete many elements of its CIP, including added rolling stock, service expansion, and PTC-related safety improvements.

Long-Term Capital Improvements (FY 2014-15 – FY 2018-19)

The long-term projects (shown in Table 4-2) are meant primarily to maintain infrastructure to support prior capacity expansion projects, as well as improve safety and operations through the building of grade separations and additional infrastructure-based upgrades. Other related partnering projects are designed to respond to anticipated ridership demands.

From a long-term perspective, the emergence of a federally supported rail program is a positive sign for passenger rail improvement not only for CCJPA, but for communities across California and the nation. The success of the short-term HSIPR program will determine the long-term Federal support beyond the initial five years. Assuming a non-federal match will be a continued requirement, consistent with the highway and transit programs, there is renewed emphasis on establishing a steady and reliable State capital program for passenger rail. CCJPA will keep track of Federal and State capital funding to maintain viability of the overall capital program and continue to advocate within the State for a shift towards reliable annual funding as opposed to a capital program punctuated by one-time infusions of bond funds and constantly fluctuating STIP funding.

GRADE SEPARATIONS WILL CONTINUE TO RANK HIGH ON THE LIST WITH BOTH CCJPA AND UPRR. CCJPA HAS IDENTIFIED HIGH-PRIORITY GRADE SEPARATION PROJECTS, BUT AS WITH MANY RAIL OPERATORS AND COMMUNITIES, UNCERTAINTY IN STATE SPENDING HAS MADE IT DIFFICULT TO PREDICT AND SECURE FUNDS TO ADDRESS THEM.

Grade separations will continue to rank high on the list with both CCJPA and UPRR. Scarce funding opportunities for these important safety and operational improvements have meant that very few communities along the route can effectively marshal the resources to plan for elimination of grade crossings or separations, much less pay for them. CCJPA has identified high-priority grade separation projects, but as with many rail operators and communities, uncertainty in State spending has made it difficult to predict and secure funds to address them.

There are certainly longer-term projects that will require implementation beyond 2018. In addition to the track improvements in the southern and northern portions of the route, at some point the railroad bridge across the Carquinez Strait must be replaced with a high-level bridge that need not be opened for shipping traffic. This replacement, which will benefit freight and passenger rail, requires a new bridge infrastructure, land acquisition, and construction of the rail approaches into the bridge structure. This project is expected to be costly and require an extended effort from all involved.

**Table 4-1
Programmed/Underway Projects (\$ million)
Capitol Corridor**

CCJPA Sponsored Projects	Programmed/Underway	Budget	Funding Sources	Description/benefits
Bahia-Benicia Crossover Project	Underway	\$7.50	Prop 1B \$4.75 RM-2 \$2.75	Provides crossover point which will allow greater dispatching capability and increase track capacity
Emeryville Station and Track Improvements	Underway	\$10.00	Prop 1B	Improves train moves at Emeryville and removes hold out rule for encountered train traffic
Yolo West Crossover	Programmed	\$4.00	STIP/IIP	Provides crossover point which will allow greater dispatching capability and increase track capacity
Will reprogram with State due to receipt of HSIPR funding				
Yolo West Crossover	Programmed	\$5.00	HSIPR	Provides crossover point which will allow greater dispatching capability and increase track capacity
Passenger Information Display System (PIDS) Station Upgrade	Underway	\$0.75	Prop 1B	Upgrades station alert message signage and signage system
Automated Ticket Validation (ATV) Project	Underway	\$0.65	Prop 1B	Implementation phase of ticket validation project
Oakland Maintenance Facility Safety and Security Improvements	Underway	\$0.25	Prop 1B	Security camera and event recorder system at unstaffed stations
Wireless Development Plan	Underway	\$0.20	Prop 1B	Developed wireless specification and legal review for system specifications
Security Operations Center (SOC) Construction at Oakland Maintenance Facility	Programmed	\$0.50	Prop 1B	Design phase for a security operations center for centralized video event response
Security Cameras at CC Stations	Underway	\$0.65	Prop 1B	Establishes video security system at select CCJPA stations
Security Infrastructure Project (Fencing and Signage)	Underway	\$0.30	Prop 1B	Security program for fencing and ROW protection with signage
SUB-TOTAL		\$29.80		
Projects Sponsored by Others	Sponsor & Programmed/Underway	Budget	Funding Sources	Description/benefits
Fairfield-Vacaville Station	City of Fairfield/City of Vacaville Underway	\$38.00	Various local, regional, State and Federal sources	Build a new station at Peabody Road in the Fairfield-Vacaville area, including parking, platform, and other station amenities
Sacramento Station Platform Relocation	City of Sacramento Programmed	\$70.95	Various sources including \$6.2M in HSIPR funding	Track and platform relocation setting the stage for extensive Sacramento Station upgrades, including significant land use improvements
Sacramento to Roseville Third Main Track	Placer County Programmed	\$6.53	RTIP/IIP	Construction funding for a third main track between Sacramento and Roseville
San Jose Diridon Station Expansion	Caltrain Underway	\$52.08	Various sources including \$18.M in HSIPR funding	Additional platforms and track access at San Jose Diridon station
Onboard Passenger Information System (PIS) w/ Caltrans (Phase I)	Caltrans Programmed	\$0.50	Prop 1B	Funds Caltrans led system of automated on-train video and audio announcement system
SUB-TOTAL		\$168.06		
TOTAL		\$197.86		

The CIP is consistent with the Regional Transportation Plans (RTPs) adopted by MTC, SACOG, PCTPA, Caltrans' 10-Year Statewide Rail Plan, and Amtrak's Strategic Corridors Initiative. Each RTP includes a list of anticipated projects and cost estimates for a 25-year planning horizon. When possible, the CCJPA will share costs and coordinate with other rail and transit services on station and track projects.

Table 4-2
Ready to Go and Service Expansion Projects (\$ million)

Capitol Corridor				
READY TO GO PROJECTS (complete within 2 Years)				
CCJPA Sponsored Projects	Budget	Potential Funding Sources	Description/benefits	Status
Capitalized Maintenance Phase 2	\$16.50	Federal (HSIPR-ARRA)	Rail replacement, tie tamping and general track maintenance	Track 1 HSIPR-ARRA pending with FRA
Wireless Network Phase 1	\$16.60	State, Federal (HSIPR-ARRA)	Wireless network including Passenger Information System (PIS) application	Track 1 HSIPR-ARRA pending with FRA
Ticketing and Communications Upgrades	\$10.64	State/CCJPA, Federal (HSIPR-ARRA)	Modernization of ticketing and implementation of CRM	Track 1 HSIPR-ARRA pending with FRA
SUB-TOTAL	\$43.74			
READY TO GO TOTAL	\$43.74			
SERVICE EXPANSION PROJECTS (complete within 2-10 Years)				
CCJPA Sponsored Projects	Budget	Potential Funding Sources	Description/benefits	Status
Oakland to San Jose Track Improvement Program Phase 2	\$402.20	State (Prop 1B, 1A), Federal (HSIPR-PRIIA), and various Federal, State, and Local funds (various funds are \$99M in matching sources)	Program of track improvements (primarily adding second main tracks or connecting sidings) benefiting addition of service capacity between Oakland and San Jose which includes a new Union City Station (Union City station project to be managed by Union City)	Subject of anticipated grant application of FY 2010 HSIPR-PRIIA funding. Existing funding match for HSIPR-PRIIA in \$99M in funds for Union City BART/Passenger Rail station funds. Additional \$47.5M Prop 1A fund match available.
Placer County Track Improvement Program	\$250.00	Various Federal, State (STIP (IIP/RIP))	Program of track improvements in Placer County to allow increased service capacity.	Subject of anticipated grant application of FY 2010 HSIPR-PRIIA funding. Project implementation coordinated with of \$50M (Prop 1B) planned for the Sacramento area maintenance facility from Rolling Stock procurement. Some STIP (IIP/RIP) funds may be available to implement early phases of this
Positive Train Control	\$31.70	Various Federal, State fund sources (\$13.5M in Prop 1B Transit Safety/Security)	Nationwide Class 1 freight and passenger rail mandate to install positive train control by 2015. This is CCJPA's estimated share of track side installation along the Capitol Corridor route with the on-train PTC equipment funded through Caltrans' efforts	Federal funding program to support this federal mandate for passenger rail is evolving. Caltrans and CCJPA are seeking appropriate funding sources to provide support.
Capitalized Maintenance Phase 3	\$8.00	State or Federal HSIPR-PRIIA	Tie tamping and general track maintenance \$2M/year for four years	Subject of anticipated grant application of FY 2010 HSIPR-PRIIA funding
Wireless Network Phase 2	\$30.10	State and Federal HSIPR-PRIIA	Trackside portion of network including Capitol Corridor and San Joaquin route and including real-time right-of-way camera application for security program	Subject of anticipated grant application of FY 2010 HSIPR-PRIIA funding
SUB-TOTAL	\$722.00			
Projects Sponsored by Others	Budget	Potential Funding Sources	Description/benefits	Status
Hercules Station	\$35.00	Various Federal, State, and Local sources	New station at Hercules	Full station funding plan required for CCJPA Board adoption is anticipated in 2010
Additional Rolling Stock	\$125.00	State (Prop 1B, 1A), Federal (HSIPR-PRIIA)	Additional rolling stock for the Northern California Rail Fleet - adds rail cars for greater train seating capacity and allows for service expansions	Also includes a Sacramento area maintenance facility (\$50M in Prop 1B) which with the existing Oakland Maintenance Facility provides sufficient maintenance capacity for the additional rolling stock
SUB-TOTAL	\$160.00			
SERVICE EXPANSION TOTAL	\$882.00			
ALL PROJECTS COST TOTAL	\$925.74			

5. PERFORMANCE STANDARDS AND ACTION PLAN

THE CAPITOL CORRIDOR'S RIDERSHIP GROWTH BENEFITS THE ENVIRONMENT BY REDUCING AIR POLLUTION AND GREENHOUSE GAS EMISSIONS. BASED ON THE PROJECTED RIDERSHIP FOR FY 2009-10, THE CAPITOL CORRIDOR WILL REMOVE 77 MILLION VEHICLE MILES TRAVELED (VMTs) FROM NORTHERN CALIFORNIA HIGHWAYS.

The CCJPA's management program for the Capitol Corridor utilizes a customer-focused business model approach. It emphasizes delivering reliable, frequent, and cost-effective train service designed to sustain growth in ridership and revenue. During the past 11 years, ridership has trended upward by increasing demand along the congested I-80/I-680/I-880 highway corridors and by providing a high-quality public transportation service that is competitive in terms of frequency, travel time, reliability, and price.

In addition to the typical performance metrics, it is worth examining the environmental impact of the Capitol Corridor's success and growth. The Capitol Corridor's ridership growth benefits the environment by reducing air pollution and greenhouse gas emissions. In California, approximately 58% of greenhouse gas emissions come from the transportation sector. Based on profiles of the Capitol Corridor rider from on-board surveys and on the

projected ridership for FY 2009-10 (see Table 5-1), the Capitol Corridor is expected to generate 102 million passenger miles, which corresponds to 77 million vehicle miles traveled (VMTs) removed from Northern California highways. This presumes that most trips replaced are automobile trips. The availability of the Capitol Corridor train service will also prevent roughly 14,300 tons of carbon dioxide from entering the atmosphere. In addition, the State-owned fleet of locomotives is undergoing a retrofit program to exceed the latest Federal emission standards and increase fuel efficiency.

The CCJPA develops performance standards for the Capitol Corridor service pursuant to State legislation that measures usage (ridership), cost efficiency (system operating ratio), and reliability (on-time performance). Table 5-1 summarizes the standards and results for FY 2008-09 and FY 2009-10 (through January 2010), as well as the standards for the next two fiscal years. Appendix C shows the measures used to develop standards for two additional years through FY 2013-14.

**Table 5-1
Performance Standards for Capitol Corridor Service**

Performance Standard	FY 08-09			FY 09-10			FY 10-11	FY 11-12
	Actual	Standard	% Change	Actual	Standard	% Change	Standard	Standard
Route Ridership	1,599,6250	1,458,600	-9.4%	617,187 (through 2/10)	655,537 (through 2/10)	-5.9%	1,602,205	1,596,500
System Operating Ratio (train and feeder bus)	47%	50%	-3.0%	45.0% (through 2/10)	49%	-4.0%	49%	49%
On-Time Performance	93%	90%	+3.0%	92.0% (through 2/10)	90%	2.4%	90%	90%

FY 2008-09 Performance Standards and Results

The service plan for FY 2008-09 maintained the service expansion that was initiated on August 28, 2006 with 32 weekday trains (22 weekend day) between Sacramento and Oakland and 14 daily trains between Oakland and San Jose (service between Sacramento and Roseville/Auburn remained at 2 daily trains). This is the maximum level of service attainable between San Jose and Sacramento with the current rolling stock and trainsets available and assigned to the Capitol Corridor, as well as the maximum train frequency approved by the UPRR. Independent of these limitations, the existing service plan can support 6 daily trains to/from Roseville and 4 daily trains to/from Auburn, subject to UPRR approval of the required capital improvements.

FY 2008-09 was the first year where performance for the Capitol Corridor declined modestly, primarily due to the effects of the economic downturn and also the fact that FY 2007-08 was an anomaly with its high gasoline prices and still booming economy. While ridership declined about 5.5%, revenue was only down 1.4% from FY 2007-08. On the bright side, on-time performance reached 93%, a record that makes the Capitol Corridor #1 among multi-

frequency train services in the Amtrak national system. This tremendous improvement was due to the very effective capitalized maintenance program and UPRR’s commitment to effective dispatching to keep the Capitol Corridor (and freight) trains operating reliably.

In FY 2008-09:

- Ridership decreased 5.5%
- Revenue declined only 1.4% despite the economic downturn
- System operating ratio (a.k.a. farebox return) fell to 47%
- On-time performance (OTP) improved from 86% to 93%, making the Capitol Corridor #1 in the Amtrak national system for multi-frequency service

IN FY 2007-08 HIGH GAS PRICES AND A STILL BOOMING ECONOMY CONTRIBUTED TO UNPRECEDENTED RIDERSHIP FOR THE CAPITOL CORRIDOR. FY 2008-09 PERFORMANCE REFLECTED A RETURN TO MORE MODEST GROWTH; IF WE EXCLUDE FY 2007-08, THE GROWTH TREND FROM FY 2006-07 TO FY 2008-09 REPRESENTS A 10% INCREASE FOR THE SAME TRAIN SERVICE FREQUENCY.

FY 2009-10 Performance Standards and Results to Date

The CCJPA, in cooperation with Amtrak and Caltrans, developed the FY 2009-10 standards based on ridership, revenue, and operating expenses identified in the current FY 2009-10 CCJPA/Amtrak operating contract. These standards are presented in Table 5-1.

Ridership. Year-to-date ridership is 8.2% below last year and 5.9% below business plan projections and showing the effect of the “Friday furlough”.

Revenue. Year-to-date revenue is 0.8% below last year and 4.9% below business plan projections and showing the effect of the “Friday furlough”.

System Operating Ratio. Year-to-date system operating ratio (total revenues divided by fixed-price operating costs, a.k.a. farebox return) is 45%, which is below the 49% standard primarily due to revenues that are below plan.

On-Time Performance (OTP). Year-to-date OTP is 92.0%, roughly sustaining last year’s record performance, which is above the 90% standard. OTP has maintained a high level since August 2008 and continues to rank among the best in the Amtrak national system.

FY 2010-11 and FY 2011-12 Performance Standards

Table 5-1 provides the preliminary performance standards for FY 2010-11 and FY 2011-12. Appendix C shows the measures used to develop the performance standards. Currently, ridership and revenue are expected to grow at significantly lower rates than prior years due to weak economic conditions. It is anticipated that Amtrak operating expenses will also rise, but to a lesser degree than FY 2008-09’s and FY 2009-10’s larger increases in expenses due to higher labor wage rates, fuel expenses, and health care costs. The CCJPA will continue to work with Amtrak during the next few months to reduce operating expense growth and/or increase revenue yield through fare adjustments.

FY 2010-11 Action Plan

For FY 2010-11, the CCJPA will focus its work efforts on maintaining a successful service in terms of performance and customer satisfaction while attempting to implement several initiatives and capital projects if funding becomes available. The following actions attempt to meet or exceed the established performance standards and provide exceptional service to the traveling public in the congested I-80/I-680/I-880 transportation corridor.

1Q FY 2010-11

- Update CIP and funding sources based on programming capacity in the State FY 2010-11 budget
- Develop allocation requests for Capitol Corridor intercity rail projects for the CCJPA in State (Propositions 1B and 1A and 2008 STIP) and Federal (PRIIA) funding programs
- Secure State and Federal funds to advance and complete programmed track and safety and security projects
- If funding becomes available, work with the State and Amtrak to advance the procurement and acquisition of additional rolling stock—the primary barrier to expansion of capacity and Capitol Corridor service levels
- Negotiate a contract with the selected vendor for deployment of a wireless network system for customer and operational uses
- Advance onboard Automated Ticket Validation (ATV) project to full system implementation for conductors to reduce fraud, improve revenue collection, and streamline reporting
- Participate in the development of the planned Fairfield/Vacaville and Hercules stations and the Union City Intermodal Station/Dumbarton Rail commuter service
- Advance construction of the Yolo Causeway crossover project
- Begin installation of security cameras at selected unstaffed stations
- Monitor performance and operation of ticket vending machines
- Seek marketing and promotional partnerships to leverage added value and/or revenues

- Monitor and expand the programs with transit agencies to improve connectivity between the trains and local transit services

2Q FY 2010-11

- Working with the vendor selected for deployment of a wireless network system, begin installation of the equipment to initiate this program
- Evaluate measures to improve train and motorcoach bus performance, including modifications to the service
- Seek funds to support the second phase of security improvements, including but not limited to cameras at stations, on trains, and trackside safety points; and signal safety improvements such as Positive Train Control (PTC) being developed by UPRR
- Conduct onboard surveys to assess rider profile and solicit feedback on Amtrak's performance

3Q FY 2010-11

- Host Annual Public Workshops to present service plans and receive input
- Develop Annual Performance Report and other information to present an overview of current performance and future plans
- Develop revised Business Plan Update for FY 2011-12
- Prepare applications for the FY 2011 FRA HSIPR capital grants

4Q FY 2010-11

- Work with Caltrans and legislators to secure FY 2011-12 Proposition 1B transit safety and security funds available to intercity/commuter rail agencies
- Launch a fully deployed wireless network program for customer use with some initial applications for operations
- Conduct onboard surveys to assess rider profile and solicit feedback on Amtrak's performance
- Develop FY 2010-11 marketing program, including market research

FY 2011-12 Action Plan

This action plan for FY 2011-12 is preliminary and will be revised during the second half of FY 2011-12. In general, the CCJPA intends to focus on:

- Working with the UPRR and Amtrak to continue ridership and revenue growth by improving reliability and implementing projects that add capacity and reduce travel times
- Monitoring development and manufacturing of additional rolling stock, safety and security upgrades, and track and signal projects to meet service expansion plans
- Continuing development of applications using the wireless network system to improve safety and operations to implement PTC signal safety system
- Developing marketing programs that retain riders through expanded amenities, loyalty campaigns, and offers, and grow ridership through market research
- Updating performance standards as necessary
- Working with Amtrak to secure additional cost efficiencies to be reinvested in service enhancements
- Preparing applications for the FY 2012 FRA HSIPR capital grants

6. ESTABLISHMENT OF FARES

The CCJPA will develop fares in conjunction with Amtrak to ensure the Capitol Corridor service is attractive and competitive with other transportation options, including the automobile. Ticket types include standard one-way and roundtrip fares, as well as monthly passes and 10-ride tickets valid for 45 days. These discounted multi-ride fares are competitive with other transportation modes and have become increasingly popular due to the high number of repeat riders who use the Capitol Corridor trains as their primary means of travel along the corridor. The

monthly and multi-ride tickets can be used year-round for all regularly scheduled train service. Reservations are unnecessary for any of the trains.

The current fare structure is based on a one-way tariff, with the roundtrip tariff equal to double the one-way tariff. Discount fares are available to seniors, students, military personnel, and children under age 15. Amtrak also provides reduced fares for certain national partners, such as AAA members. Fare modifications are used selectively to maximize revenue and ridership, while still working toward the State's farebox return goal of 50%.

A RECENT AAA STUDY ESTIMATES THE COST OF DRIVING A CAR AT 45-71 CENTS PER MILE. THE AVERAGE COST OF A FULL-FARE CAPITOL CORRIDOR TICKET IS ABOUT 35 CENTS PER MILE TRAVELED, AND CAN BE AS LOW AS 11 CENTS PER MILE WITH A FREQUENTLY USED MULTI-RIDE TICKET.

A recent AAA study estimates the cost of driving a car at 45-71 cents per mile, not including tolls and parking. The average cost of a full-fare Capitol Corridor ticket is about 35 cents per mile traveled, and can be as low as 11 cents per mile with a frequently used multi-ride ticket.

FY 2010-11 Fares

During the past 10 years, the CCJPA has incrementally increased fares based on service improvements such as added trains, reduced travel times, and new stations. In FY 2007-08, the CCJPA implemented a simplified fare structure that discontinued seasonal and holiday pricing and recalibrated city-pair multi-ride ticket prices to provide equitable fare tariffs among ticket types. This revised fare structure provides consistency to passengers by eliminating ticket price fluctuation and also enables the CCJPA to better manage revenue,

leading to revenue growth that exceeds ridership growth. The CCJPA and Amtrak support strategic fare increases but implementation in FY 2009-10 will be based on various factors including ridership, revenue levels, and overall economic conditions along communities in the corridor. As well, the planned two fare adjustments for FY 2010-11 will be evaluated in a similar fashion but must consider Amtrak's anticipated increases in operating expenses.

As part of its Marketing Program (Section 8), the CCJPA will develop a variety of fare promotions designed to increase customer satisfaction and ridership. Opportunities include:

- Customer loyalty and referral programs to attract new riders
- Promoting ticket purchases online and through the Ticket Vending Machines (TVMs) installed at all Capitol Corridor stations
- Testing and launch of the Automated Ticket Validation (ATV) pilot program, which will enable real-time validation and ticket sales onboard trains. Benefits include customer convenience, real time information on ridership and revenue, and operating cost efficiencies
- Expanding awareness of the transit connectivity programs such as the Transit Transfer Program, joint ticketing, and transfer of motorcoach bus routes to parallel local transit services to help increase overall ridership and revenues

Together, these fare and ticketing programs for FY 2010-11 will enhance customer convenience and increase revenue yield through expanded TVM availability and improved revenue collection through the ATV units. All of these measures will contribute toward meeting the State's farebox return goal of 50%.

FY 2011-12 Fares

While still preliminary, the projected fare structure for FY 2011-12 will follow the program set forth in FY 2010-11. The CCJPA will perform periodic reviews of the fare structure and make modifications with Amtrak as necessary. Opportunities include:

- Working with MTC to include the Translink smart-card fare collection technology on the Capitol Corridor trains
- Continuation and expansion of transit connectivity programs such as the Transit Transfer Program, joint ticketing, and transfer of motorcoach bus routes to parallel local transit services

- Enhancement of the ATV pilot program to install an onboard handheld ticketing and validation system on all trains in the Northern California fleet

7. SERVICE AMENITIES, FOOD SERVICES, AND EQUIPMENT

The CCJPA is responsible for the administration and maintenance supervision of the State-owned fleet of rail cars and locomotives assigned to Northern California. The goal of the CCJPA is to ensure equity in the operation and maintenance of equipment assigned to the Capitol Corridor and San Joaquin Corridor services. In accordance with the ITA, the CCJPA is entrusted with ensuring the rail fleet is operated and maintained to the highest standards of reliability, cleanliness, and safety. In addition, it makes certain the unique features and amenities of the State-owned train equipment are well utilized and maintained to standards established by Amtrak, the State, and the CCJPA.

Service Amenities

Accessibility. The Capitol Corridor and San Joaquin Corridor trains provide complete accessibility to passengers. Accessibility features include onboard wheelchair lifts, two designated spaces per train car for passengers in wheelchairs, and one wheelchair-accessible lavatory on the lower level of each train car.

Information Displays. Each California Car is equipped with passenger information displays that provide the train number and destination, plus any required public information.

CCJPA IS WORKING WITH AMTRAK'S NATIONAL PROCUREMENT PROCESS TO PROVIDE WI-FI ACCESS ON THE RAIL FLEET. WORKING ALSO IN PARTNERSHIP WITH CALTRANS DIVISION OF RAIL, THE CONTRACT WILL ALSO EVENTUALLY INCLUDE 'NETWORKED' IN-TRAIN PASSENGER INFORMATION DISPLAYS AND ANNOUNCEMENTS ALONG WITH THE INITIAL LAUNCH WITH PASSENGER INTERNET ACCESS. DEPLOYMENT WILL BEGIN IN FY 2010.

Lavatories. Lavatories in California Cars feature electric hand dryers, soap dispensers, and infant diaper-changing tables.

Telecommunications. The current mid-life overhaul program includes the expansion of 110-volt power access to additional locations within all cars to satisfy the growing demand of passengers who bring laptops and electronic devices on the trains.

Bicycle Access. All Northern California Cab and Coach Cars have bicycle storage units that hold three bicycles on the lower level of the car. In addition, the 14 California Cab Cars have been fitted with a bike rack in the lower level seating area that can accommodate up to eight more bicycles. The five Surfliner Cab Cars have storage space for up to 13 bicycles in the lower level baggage area.

Wireless Network Program. The CCJPA will commence, in collaboration with Amtrak's national procurement process, the installation of a wireless network in FY 2010. The network will initially include passenger internet access and allow for operational applications such as networked in-train passenger information displays. The network will be a platform for future operational applications, including safety and security applications, which will be rolled out in future phases. Caltrans Rail Division is a partner with CCJPA in supporting the development of the wireless network for the rail fleet.

Business/Custom Class Car. Inability to secure the funds to purchase rolling stock has hampered the introduction of the Business/Custom Class Car. This service can only be implemented after the receipt of new rail cars, which is approximately four years after funding for new rolling stock becomes available. The program seeks to renovate one car per train to be equipped with premium services and amenities not found in other Coach Cars. To better serve business travelers and retain and expand this market, CCJPA will work to ensure these services will increase net revenues or at least be revenue-neutral. Service could include:

- Morning coffee and pastry service and mid-day soft drinks
- Daily and/or weekly periodicals for each Business/Custom-class ticketed passenger
- Wireless network access (included in fare)

- Ability to reserve a seat

Food and Beverage Services. Many of the food and beverage service improvements proposed in prior years have been implemented and are reaping benefits in customer satisfaction and increased sales of menu items. In Fall 2009, CCJPA, Caltrans, and Amtrak will begin plans to upgrade the point-of-sale process with rollout planned for early 2010. This upgrade will improve the efficiency and back-office management of the food and beverage service.

The continuing efforts by the CCJPA and Caltrans ensure the food and beverage service on the Capitol Corridor and San Joaquin Corridor trains exceeds customer expectations while contributing effectively to the services' revenues.

Equipment Acquisition, Maintenance, and Renovation

The CCJPA continues to work closely with Caltrans and Amtrak to refine the maintenance and operations programs to improve the reliability, safety, and cost-effectiveness of the rail fleet. The Capitol Corridor and San Joaquin routes now share a combined fleet of 15 F59PHI locomotives, 2 DASH-8 locomotives, and 78 Alstom-built passenger coaches and food service cars. In addition, Caltrans and Amtrak have negotiated an overhaul and long-term lease of three Superliner Coach Cars. New fleet acquisitions under development will dramatically increase service capacity. Recent Federal legislative proposals also raise the possibility of leveraging State dollars with a Federal match to purchase and/or upgrade equipment.

CALTRANS AND AMTRAK NEGOTIATED AN OVERHAUL AND LONG-TERM LEASE OF THREE SUPERLINER COACH CARS. NEW FLEET ACQUISITIONS UNDER DEVELOPMENT WILL DRAMATICALLY INCREASE SERVICE CAPACITY.

Rehabilitation and Modification Programs. Using previously allocated State funds, the CCJPA, Caltrans, and Amtrak have created a multi-year program of periodic overhauls to the existing train fleet that will improve the fleet performance and maintain the valued assets of the State's rolling stock

investment.

Work Completed (FY 2008-09 and Prior)

- The original fleet of locomotives owned by the State has been through an extensive State-funded renovation program that includes the rebuilding of auxiliary power motors, resulting in a marked improvement in performance and reliability.
- Caltrans continues to work closely with State and Federal environmental agencies to make our fleet of locomotives one of the cleanest fleets in the country. Unit 2015 has completed a major retrofit and testing at the FRA test center in Pueblo, Colorado. The remaining 14 F59PHI's will be re-powered in the next two years. The two GE DASH-8's have been overhauled by Amtrak.
- The original fleet of locomotives, Coach Cars, Diner Cars, and Cab Cars was also repainted.

Current/Upcoming Work (FY 2009-10 and Beyond)

- As of October 2007, all 66 original California Cars have experienced a major overhaul.
- Starting in January 2010, Caltrans will begin a two-year project to replace the door operators and improve the performance of the wheelchair lifts on all coaches.
- The HVAC units, ducting and control system will be renewed, providing better air quality and climate control using new environmentally friendly technology and refrigerants.
- As part of our safety and security program, all passenger coaches and locomotives will be equipped with a digital security camera system. This will provide the CCJPA with a valuable tool to protect equipment from vandalism and prevent accidents and injuries to passengers and crew. The security camera system program will be implemented in late FY 2010 or early FY 2011 due to design and funding delays.
- To keep the train cars looking fresh and new, Amtrak and Caltrans has started replacing carpets, cloth wainscot, and seat upholstery on all coaches in the Amtrak California fleet beginning in February 2009. Window curtains will also be added exclusively on the Northern California fleet. Currently, 12 coaches have been completed.

8. MARKETING STRATEGIES

The CCJPA uses a marketing mix of broad-based media campaigns and regional cross-promotions and outreach efforts to build awareness of the Capitol Corridor service. A primary objective is promoting the service to key markets and attracting riders to trains with available capacity. Marketing dollars and impact are maximized through joint promotions and advertising, as well as reciprocal marketing programs with the State, Amtrak, CCJPA member agencies, and other selected partners.

Advertising Campaigns and Brand Awareness. Major media campaigns inform leisure and business travel audiences about the advantages of train travel, including service attributes, promotions/pricing, and destinations. The current advertising mix includes radio spots, local television, traffic sponsorships, and online paid search, and it is continually adjusted to ensure consistent visibility in the target markets. CCJPA has employed broader use of the recently-redesigned Capitol Corridor logo to update the image of the service and enhance brand recognition across media. Advertising messages and artistic direction reflect the CCJPA's emphasis on the Capitol Corridor as a distinct service brand.

Targeted Marketing Programs. The CCJPA will continue successful programs that target specific markets, such as the Train Treks youth group discount program to boost midday, mid-week travel, and customer retention efforts such as Rider Appreciation programs. Media-based promotions highlight riding the train to popular events such as Oakland Raiders and Cal Football games. In addition, the CCJPA will develop promotional programs that create awareness of the train as a way to reach other leisure destinations throughout Northern California.

THE CAPITOL CORRIDOR'S MARKETING EFFORTS HAVE CONSISTENTLY EARNED AWARDS FROM INDUSTRY ORGANIZATIONS, INCLUDING THE 2008 AMERICAN PUBLIC TRANSPORTATION ASSOCIATION (APTA) ADWHEEL FIRST PRIZE FOR CCJPA'S 2007 ANNUAL PERFORMANCE REPORT.

Partnership Brand Marketing. The Capitol Corridor's Strategic Marketing Partnership Program has established a catalog of marketing assets and associated metrics to enhance the CCJPA's trade promotion negotiations. These assets enable selected partners to market their products through Capitol Corridor marketing channels such as interior, exterior, and station signage, and electronic media. The program now has a solid foundation for increasing value and revenues to the advertising program by partnering with well-known organizations that share similar target audiences.

Joint Marketing and Outreach. The CCJPA achieves cost efficiencies by working with local community partners such as CCJPA member agencies and local destinations to share creative development of select promotions that promote both destination and rail travel. CCJPA also partners with Amtrak and Caltrans on select promotions and events to better leverage shared marketing dollars.

Online Presence and Customer Communications. The CCJPA places great importance on communicating with our passengers and delivering service information to them through multiple channels. Efforts include:

- An evolving website, e-newsletter, Twitter updates, electronic station signage, flyers, and posted signs inform customers about service changes, promotions, and special events.
- Upgraded passenger information display sign (PIDS) which have more line space will allow for better quality messages to passengers as well as future marketing partners.
- Leveraging Capitol Corridor's online presence across the Internet includes integration with transit-related online tools such as Google Transit, selective participation in online social networking sites such as Facebook, and listings in informational portals/directories.
- Call center staff coordinates with Marketing and Operations to ensure callers receive clear and up-to-date information about the Capitol Corridor service and promotions.
- CCJPA is developing a passenger service advisory system that will allow customers to sign up electronically and receive up-to-the minute advisories via email or mobile device.

Customer Relationship Management (CRM). CCJPA hopes to enhance its marketing efforts with more targeted promotions and outreach via a CRM program. CCJPA has developed a preliminary CRM plan in accordance with CRM industry standards. CRM deployment will enable the Capitol Corridor to strengthen its relationship with customers by learning about their travel preferences and then delivering more targeted promotions. It will also support efforts to follow-up on customer service issues.

Public Relations. A positive public image is also essential to building awareness of the brand. In FY 2009, CCJPA's public information officer continued to engage the media and answer questions about the Capitol Corridor service. The Capitol Corridor was featured in 125 news stories that appeared in print, television, radio, and Internet media outlets. Staff secured a feature about Capitol Corridor service on the "Eye on the Bay," a Bay Area-based news magazine on KPIX Channel 5, the CBS affiliate. Additionally, b-roll images and video were provided to the media to supplement their news coverage. The estimated advertising value for the news coverage for FY 2009 was over \$105,000.

Outreach and Advocacy. The CCJPA will develop a broader plan for advocacy of the Capitol Corridor and related services, and build upon outreach efforts with communities along the route. Efforts include:

- Advocacy and public relations efforts that aim to increase the Capitol Corridor's visibility and recognition as a unique interagency partnership
- Helping communities along the Capitol Corridor route build awareness of the service in their respective cities through local marketing campaigns including transit connections via the Transit Transfer Program
- An Annual Performance Report that informs the public and elected officials of the service's successes, benefits, and challenges to local communities
- Working with Operation Lifesaver – a voluntary effort by railroads, safety experts, law enforcement, public agencies, and the general public – the CCJPA coordinates with Caltrans Rail to support regional rail safety campaigns through education, engineering, and enforcement
- Leveraging CCJPA riders who use and benefit from the service as advocates in their communities
- Joint media promotions with well-known organizations to maximize media dollars and expand market reach
- Reciprocal marketing with tourism industry members such as hotels, airports, and convention/visitor bureaus
- Targeted marketing to school groups, senior citizens, special interest groups, and new residential communities
- Outreach and public relations efforts in the Silicon Valley/San Jose area to continue to leverage the FY 2006-07 service expansion

THE CCJPA'S FY 2010-11 MARKETING PROGRAM WILL FOCUS ON MEETING INCREASED RIDERSHIP PROJECTIONS USING MARKETING STRATEGIES THAT TARGET SERVICE PERIODS WITH THE HIGHEST GROWTH POTENTIAL.

FY 2010-11 Marketing Program

The CCJPA's FY 2010-11 Marketing Program will focus on meeting increased ridership projections using marketing strategies that target service periods with the highest growth potential.

The CCJPA will continue its own independent campaigns, and develop CCJPA as a distinct regional service brand. CCJPA will also coordinate with local partners, Amtrak and Caltrans on the most beneficial promotions, outreach, and shared marketing collateral. Advertising media will consist primarily of radio traffic sponsorships, online web banner campaigns, local television, and promotionally-driven media buys. Marketing initiatives will also aim to enhance communications and service to customers. Key elements will include:

- Joint media promotions with well-known organizations to maximize media dollars and expand market reach

- Reciprocal marketing with tourism industry members such as hotels, airports, and convention/visitor bureaus
- Targeted marketing to school groups, senior citizens, special interest groups, and new residential communities

FY 2011-12 Marketing Program

The CCJPA will place continued emphasis on the Capitol Corridor brand to increase regional brand awareness and maximize use of the marketing budget. Creative execution will emphasize local character and personalize the service.

9. ANNUAL FUNDING REQUIREMENT: COSTS AND RIDERSHIP PROJECTIONS

The primary purpose of this Business Plan Update, as identified in the ITA, is to request the annual funds required by the CCJPA to operate, administer, and market the Capitol Corridor service for agreed-upon service levels. Previous sections in this document describe the proposed operating plan, planned service improvements, and capital improvements for FY 2010-11 and FY 2011-12.

FY 2010-11 and FY 2011-12 Operating Costs

Based on the Operating Plan and Strategies (Section 3), the CCJPA and Amtrak have proposed a best estimate for FY 2010-11 and FY 2011-12 operating expenses. These costs are shown in Table 9-1 and include the basic train service and associated feeder bus service, including the CCJPA’s proportionate share of costs relating to the local transit service partnerships. As stated previously, ridership and revenue are expected to grow at a slower rate for FY 2010-11 and FY 2011-12 given projected weak economic conditions in California and across the nation. The projected operating expenses (primarily Amtrak train operations and support) are also expected to grow, but should be offset by ridership and revenue increases. As these projections are estimates, the CCJPA will work with Amtrak to reduce operating expense growth and/or increase revenue yield.

THE CCJPA’S FY 2010-11 AND FY 2011-12 BUDGETS ARE EXPECTED TO INCREASE SLIGHTLY. THE PROJECTED INCREASES IN THE ADMINISTRATIVE BUDGET ARE TO COMPENSATE FOR A PRIOR DEFERRED ALLOCATION OF COST SAVINGS TO CCJPA DUE TO THE TRANSFER OF CALL CENTER AND PHONE INFORMATION SERVICES TO BART, THE CCJPA’S MANAGING AGENCY.

FY 2010-11 and FY 2011-12 Marketing Expenses

The CCJPA’s marketing budget for FY 2010-11 and FY 2011-12 will fund the respective year’s Marketing Programs presented in Section 8. The CCJPA will develop the various campaigns and programs. The preliminary budget estimates illustrated in Table 9-1 represent only direct expenditures of the CCJPA and do not include any costs for marketing programs provided solely by Amtrak or the State.

FY 2010-11 and FY 2011-12 Administrative Expenses

Table 9-1 identifies the estimate for the FY 2010-11 and FY 2011-12 budgets that support the administrative activities of the CCJPA for the Capitol Corridor service. There has been a shift in funds from the operating budget to the administrative budget due to the October 2005 transfer of customer service call center operations from Amtrak to BART, the CCJPA’s managing agency.

FY 2010-11 and FY 2011-12 Total Budget

Compared to the current period (FY 2009-10), the FY 2010-11 and FY 2011-12 total budgets for operating, marketing, and administrative costs of the CCJPA are expected to increase slightly, by +3.3% and +2.6% respectively. The projected increases are solely the result of compensating for a prior deferred allocation of cost savings (between \$1.5 million and \$2.0 million) for CCJPA administrative expenses to support the CCJPA/BART call center/phone information and customer services that were transferred from Amtrak operations in 2005. Another deferral of these cost savings could jeopardize Capitol Corridor customer services and the operating budget.

The Capitol Corridor service will remain a part of the State's intercity rail system and continue to be funded by the State. The CCJPA will provide the level of service consistent with funding appropriated by the Legislature and allocated by the State. Any cost savings realized by the CCJPA or revenues in excess of business plan projections during the term of the ITA will be used by the CCJPA for service improvements in the corridor (Section 1).

**Table 9-1
CCJPA FY 2010-11 - FY 2011-12 Funding Requirement
Capitol Corridor Service**

Service Level	Current	PROPOSED	
	FY 2009-10 Budget	FY 2010-11 Budget	FY 2011-12 Budget
Sacramento-Oakland			
Weekday	32	32	32
Weekend	22	22	22
Oakland-San Jose			
Weekday	14	14	14
Weekend	14	14	14
Sacramento-Roseville	2	2	2
Roseville-Auburn	2	2	2
Ridership (a)	1,602,205	1,596,500	1,636,413
Total Train Operating Expenses	\$ 50,817,788	\$ 51,370,500	\$ 51,884,200
Equipment Capital Costs	\$ -	\$ -	\$ -
Total Train Expenses	\$ 50,817,788	\$ 51,370,500	\$ 51,884,200
Total Bus Expenses	\$ 1,952,000	\$ 1,866,000	\$ 1,894,000
TOTAL Expenses (a)	\$ 52,769,788	\$ 53,236,500	\$ 53,778,200
Train Revenue	\$ 24,129,280	\$ 24,324,920	\$ 25,054,700
Bus Revenue	\$ 1,540,167	\$ 1,552,654	\$ 1,598,000
TOTAL Revenue (a)	\$ 25,669,447	\$ 25,877,574	\$ 26,652,700
CCJPA Funding Requirement			
CCJPA Operating Costs	\$ 27,100,341	\$ 27,358,926	\$ 27,125,500
Insurance for State-Owned Equipment (b)	\$ 375,000	\$ 375,000	\$ 375,000
Minor Capital Projects (c)	\$ 1,006,790	\$ 275,000	\$ 275,000
Subtotal-CCJPA Operating Expenses	\$ 28,482,131	\$ 28,008,926	\$ 27,775,500
Marketing (d)	\$ 1,174,000	\$ 1,174,000	\$ 1,174,000
Administrative Expenses (e)	\$ 1,451,800	\$ 2,951,800	\$ 2,951,800
TOTAL CCJPA Funding Request	\$ 31,107,931	\$ 32,134,726	\$ 31,901,300

(a) Preliminary planning estimates. Amtrak to provide final ridership, revenue, and operating costs estimates.

(b) Amtrak procures insurance coverage for state-owned equipment that is operated for service.

(c) Expenses to be allocated for small or minor capital projects.

(d) Due to State budget constraints, the FY 2009-10 and FY 2010-11 marketing expenses will be capped at the same levels as the seven prior fiscal years (\$1,174,000). Does not include contributions by Amtrak or additional resources provided by the State (i.e., market research program).

(e) Includes transfer of operating expenses to support CCJPA administrative expenses including call center/phone information and customer services now provided by CCJPA/BART.

10. SEPARATION OF FUNDING

As identified in the Joint Exercise of Powers Agreement (JEPA) for the CCJPA, the Controller-Treasurer of the Managing Agency of the CCJPA will perform the functions of Treasurer, Auditor, and Controller of the CCJPA. BART's prior agreement with the CCJPA to serve as the CCJPA's

Managing Agency was first renewed in February 2005 for a five-year term through February 2010, and is presented to the CCJPA Board in February 2010 for an additional five-year term, consistent with the enactment of AB 1717 in September 2003. This longer term will allow the CCJPA Board to more effectively measure the performance of the Managing Agency.

As identified in the ITA, the State shall perform audits and reviews of financial statements of the CCJPA with respect to Capitol Corridor service. In addition, the CCJPA requires that the Controller-Treasurer shall provide for an annual independent audit of the accounts of the CCJPA within six months of the close of the State fiscal year. BART has established the appropriate accounting and financial procedures to ensure that the funds secured by the CCJPA during FY 2009-10 and FY 2010-11 to support the Capitol Corridor service are solely expended to operate, administer, and market the service.

11. CONSIDERATION OF OTHER SERVICE EXPANSIONS AND ENHANCEMENTS

Consistent with the CCJPA’s Vision Plan, this section presents service expansion and enhancement opportunities beyond the CCJPA’s FY 2010-11 and FY 2011-12 service plans and funding requirements. Planning for potential new services will require securing capital improvements, additional operating funds, and institutional agreements.

Silicon Valley/Santa Clara County Markets

The CCJPA is working with the proposed Dumbarton Rail commuter rail service planned by Caltrain to identify the infrastructure improvements that Capitol Corridor trains and Dumbarton Rail may share jointly in the Hayward/Union City/Fremont/Newark area. While the Dumbarton Rail project has recently projected less ridership demand with increasing costs, the shared track between Union City and Fremont/Newark could be utilized by Capitol Corridor more immediately along with plans by the UPRR to make improvements elsewhere to increase capacity in the Oakland to San Jose corridor. The Dumbarton Rail project may be postponed or modified to address the ridership and other timing issues.

THE CCJPA AND CALTRANS HAVE COLLABORATED ON DEVELOPMENT OF THE BIENNIAL 10-YEAR STATEWIDE RAIL PLAN TO IDENTIFY CAPITAL AND OPERATIONAL NEEDS. IN 2008, MTC RELEASED ITS 50-YEAR REGIONAL RAIL PLAN, OF WHICH THE CCJPA WAS A MEMBER OF THE STEERING COMMITTEE.

There is also a strong design and environmental documentation effort underway for the California High Speed Rail system which is planned to serve San Jose Diridon station. In addition in the San Jose area, VTA and BART are moving ahead with environmental studies and engineering plans for the proposed extension of BART from Fremont/Southern Alameda County to San Jose. The development and operation of this proposed BART extension will

be coordinated with existing and additional Capitol Corridor trains to and from San Jose and Silicon Valley.

Recent State and Regional Rail Plans – Additional Service Expansions

The CCJPA and Caltrans have collaborated in recent years on development of the biennial 10-Year Statewide Rail Plan to identify capital and operational needs. In 2008, MTC released its 50-year Regional Rail Plan, of which the CCJPA was a member of the steering committee. The CCJPA was also an active participant in the development of the environmental studies for the California High Speed Rail Authority, which was incorporated into MTC’s Regional Rail Plan.

The Caltrans’ 10-Year Statewide Rail Plan included the proposed extension of Capitol Corridor trains to Reno/Sparks, Nevada (via Truckee). Plans for extension of service to Reno/Sparks have been suspended at the request of the UPRR, which is currently unprepared to consider passenger rail service coupled with its extensive freight rail service plans in the Auburn – Reno corridor. Therefore, Capitol Corridor efforts with UPRR are focused on facility and service improvements between Sacramento, Roseville, and Auburn.

The MTC's Regional Rail Plan has examined future alignments and service plans for the Capitol Corridor. These go beyond MTC's Bay Area boundaries by exploring options extending into the Sacramento region. MTC provides a necessary vision for the future of passenger and freight rail service in Northern California. It will continue offering guidance in future planning periods (10, 20, and 50 years) with alternative alignments, service plans, and rolling stock configurations.

The CCJPA has set forth and adopted a Train Service Policy supporting future extensions to new markets beyond the Capitol Corridor. It encourages partnerships between several passenger rail services and local/regional transportation agencies. The goal is to ensure that these proposed service extensions provide mutual cost savings through the use of joint facilities and equipment. As a vital element in California's passenger rail community, the CCJPA has developed working relationships with:

- San Joaquin Corridor service
- Amtrak National Network (California Zephyr and Coast Starlight)
- Altamont Commuter Express service (Stockton – Livermore – San Jose)
- Caltrain service (Gilroy – San Jose – San Francisco)
- California High Speed Rail Authority
- Proposed new passenger rail services to Monterey (Transportation Agency of Monterey), Redding/Chico (Caltrans), Napa/Santa Rosa (Napa/Sonoma counties), and San Francisco-Los Angeles via the Coast Subdivision in Salinas/San Luis Obispo (Coast Rail Coordinating Council)
- Other service extensions/expansions within the Capitol Corridor as identified in current, ongoing interregional rail studies such as the MTC Regional Rail Plan

APPENDICES

APPENDIX A
Capitol Corridor Historical Performance

Fiscal Year	Daily Trains	Total Ridership	% Change Prior Year	Riders Per Day	Revenue*	% Change Prior Year	Operating Expenses*	% Change Prior Year	Farebox Ratio*	State Costs*
SFY 91/92 (a)	6	173,672	--	864	\$1,973,255	--	\$4,848,967	--	40.7%	\$1,592,907
SFY 92/93	6	238,785	--	650	\$2,970,103	--	\$8,333,093	--	35.6%	\$6,712,017
SFY 93/94	6	364,070	52.5%	1,000	\$3,598,978	21.2%	\$9,911,735	18.9%	36.3%	\$6,714,761
SFY 94/95	6	349,056	-4.1%	960	\$3,757,146	4.4%	\$9,679,401	-2.3%	38.8%	\$6,012,315
SFY 95/96 (b)	8	403,050	15.5%	1,100	\$4,805,072	27.9%	\$11,077,485	14.4%	43.4%	\$6,434,940
SFY 96/97	8	496,586	23.2%	1,360	\$5,938,072	23.6%	\$20,510,936	85.2%	29.0%	\$9,701,519
FFY 97/98 (c)	8	462,480	-6.9%	1,270	\$6,245,105	5.2%	\$20,527,997	0.1%	30.4%	\$11,404,143
FFY 98/99 (d)	10/12	543,323	17.5%	1,490	\$7,314,165	17.1%	\$23,453,325	14.3%	31.2%	\$16,022,024
FFY 99/00 (e)	12/14	767,749	41.3%	2,100	\$9,115,611	24.6%	\$25,672,749	9.5%	35.7%	\$16,440,540
FFY 00/01 (f)	14/18	1,073,419	39.8%	2,941	\$11,675,117	28.1%	\$28,696,741	11.8%	40.7%	\$17,680,477
FFY 01/02	18	1,079,779	0.6%	2,960	\$12,201,602	4.5%	\$32,842,038	14.4%	37.2%	\$20,590,919
FFY 02/03 (g)	18/20/22/24	1,142,958	5.9%	3,130	\$12,800,469	4.9%	\$36,469,383	11.0%	38.1%	\$21,540,910
FFY 03/04	24	1,165,334	2.0%	3,190	\$13,168,373	2.9%	\$35,579,266	-2.4%	37.2%	\$22,708,181
FFY 04/05	24	1,260,249	8.1%	3,450	\$15,148,333	15.0%	\$35,110,571	-1.3%	43.2%	\$19,962,238
FFY 05/06 (h)	24/32	1,273,088	1.0%	3,490	\$16,014,636	5.7%	\$35,147,033	0.1%	45.8%	\$19,132,397
FFY 06/07	32	1,450,069	13.9%	3,970	\$19,480,992	21.6%	\$40,533,332	15.3%	48.1%	\$21,052,340
FFY 07/08	32	1,693,580	16.8%	4,640	\$23,822,862	22.3%	\$43,119,290	6.4%	55.2%	\$22,265,039
FFY 08/09 (i)	32	506,907	-8.9%	4,121	\$8,255,588	2.5%	\$16,974,455	-6.0%	46.5%	\$9,007,141

SFY = State Fiscal Year (July 1- June 30)

FFY = Federal Fiscal Year (October 1 -September 30)

- a. Statistics available for partial year only because service began in December 1991.
- b. Increase to 8 trains began in April 1996.
- c. Statistics presented for FFY 97/98 and each subsequent FFY to conform with Performance Standards developed by BT&H.
- d. 10 trains began on October 25, 1998 and 12 trains began on February 21, 1999.
- e. 14 trains began on February 28, 2000 .
- f. 18 trains began on April 29, 2001.
- g. 20 trains began on October 27, 2002; increase to 22 trains began on January 6, 2003; increase to 24 trains began on April 28, 2003.
- h. 32 trains began on August 26, 2006 (with increase to 14 daily trains to/from San Jose).
- i. Year-to-date data through February 2010 with operating expenses and State costs through January 2010

APPENDIX B
PROGRAMMED OR COMPLETED CAPITOL CORRIDOR PROJECTS (AS OF DECEMBER 2009)

Programmed or Completed Projects (Preliminary and Tentative - Subject to Revision)	Costs
Station Projects	
Colfax	\$2,508,165
Auburn	\$3,131,656
Rocklin	\$2,114,173
Roseville	\$1,619,104
Sacramento*	\$81,549,526
Davis	\$5,326,643
Fairfield/Vacaville	\$29,000,000
Suisun/Fairfield	\$3,834,049
Martinez*	\$38,145,628
Richmond*	\$21,924,408
Berkeley	\$4,745,500
Emeryville*	\$17,252,136
San Francisco – Ferry Building*	\$584,842
Oakland Jack London Square*	\$20,319,077
Oakland Coliseum	\$6,132,000
Hayward	\$1,782,500
Fremont/Centerville	\$3,544,050
Great America/Santa Clara	\$3,082,627
San Jose Diridon	\$79,638,542
Platform Signs	\$63,101
Real-time message signs	\$2,244,842
Other	\$3,840,575
SUBTOTAL – Station Projects *shared stations with the San Joaquin route	\$332,383,144
Track and Signal Projects	
Placer County	\$500,000
Auburn Track and Signal Improvements	\$350,000
Sacramento – Roseville (3 rd Track) Improvements	\$6,950,000
Yolo Causeway 2 nd Track	\$14,555,533
Yolo West Crossover	\$5,000,000
Sacramento – Emeryville	\$60,219,132
Oakland – Santa Clara (Hayward Line) [1991]	\$14,900,000
Niles Junction – Newark (Centerville Line)	\$10,667,740
Sacramento – San Jose C-Plates	\$14,156
Oakland – San Jose	\$59,405,333
San Jose 4 th Track	\$41,850,000
Bahia-Benicia Crossover Project	\$7,690,000
Harder Road (Hayward) Undercrossing [2001]	\$8,898,000
SUBTOTAL – Track and Signal Projects	\$230,999,894
Maintenance and Layover Facility Projects	
San Jose (Pullman Way) Maintenance Facility	\$5,789,862
Oakland Maintenance Facility (new – owned by the State)	\$64,135,956
Oakland Maintenance Base (former site)	\$464,884
Colfax/Auburn Layover Facility	\$691,956
Roseville Layover Facility	\$157,702
Sacramento Layover Facility	\$941,316
Capitalized Maintenance ¹	\$2,000,000
SUBTOTAL – Maintenance and Layover Facility Projects	\$74,181,676
Rolling Stock (California Cars and Locomotives – owned by the State)	\$235,282,226
TOTAL - PROGRAMMED¹ OR COMPLETED PROJECTS	\$872,846,940

**APPENDIX C
CAPITOL CORRIDOR PERFORMANCE STANDARDS FY 2008-09 TO FY 2013-14**

PERFORMANCE STANDARD	FY 2008-09				FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14
	ACTUAL	STANDARD	VARIANCE ACTUAL TO STANDARD	PERCENT CHANGE	STANDARD	PRELIMINARY STANDARD	PRELIMINARY STANDARD	PRELIMINARY STANDARD	PRELIMINARY STANDARD
NUMBER OF DAILY TRAINS (SAC-OAK)	32	32			32	32	32	32	32
USAGE									
Route Ridership	1,599,625	1,765,792	(166,167)	-9.4%	1,602,205	1,596,500	1,636,413	1,685,505	1,727,642
Average Daily Ridership	4,383	4,838	(455)	-9.4%	4,390	4,374	4,483	4,618	4,733
Percent Change in Route Ridership	5.9%	-2993.3%			0.2%	-0.4%	2.5%	3.0%	2.5%
Percent Change in Train Passenger Miles	-3.8%	-1244.6%			0.8%	1.1%	2.5%	3.0%	2.5%
Percent Change in Train Miles	-1.7%	-2724.7%			1.0%	0.0%	0.0%	0.0%	0.0%
Passenger Miles per Train Mile (PM/TM)	85.6	95.5	(10.0)	-10.4%	85.4	86.4	88.5	91.2	93.5
COST EFFICIENCY									
System Operating Ratio (as calculated by CC/JPA)	47%	50%	-3.1%	--	49%	49%	50%	50%	51%
Percent Change in Total Revenue	14.0%	-10.4%	--	--	9.1%	0.8%	3.0%	3.0%	2.2%
Percent Change in Total Expenses	24.2%	-4.5%	--	--	5.2%	0.9%	1.0%	1.5%	0.0%
Train Revenue per Train Mile	\$18.58	\$19.67	-\$1.09	-5.5%	\$20.09	\$20.25	\$20.86	\$21.48	\$21.42
Train Revenue per Passenger Mile (Yield)	\$0.22	\$0.21	\$0.01	5.5%	\$0.235	\$0.234	\$0.236	\$0.243	\$0.250
Train Expenses per Train Mile	\$40.46	\$41.93	-\$1.47	-3.5%	\$42.30	\$42.76	\$43.19	\$43.84	\$43.95
Train Only State Cost per Train Mile	\$21.88	\$22.27	-\$0.38	-1.7%	\$22.22	\$22.51	\$22.33	\$22.36	\$22.53
Train Only State Cost Per Passenger Mile	\$0.26	\$0.23	\$0.02	9.7%	\$0.26	\$0.26	\$0.25	\$0.25	\$0.24
SERVICE QUALITY									
On Time Performance	93%	90%	3%	--	90%	90%	90%	90%	90%
Percent of California Car Fleet Available	87%	87%	0%	--	87%	87%	87%	87%	87%
OPERATING RESULTS									
TRAIN AND BUS									
Total Revenue	\$23,530,393	\$26,251,776	-\$2,721,383.00	-10.4%	\$25,669,447	\$25,877,574	\$26,652,700	\$27,452,281	\$28,061,094
Total Expenses	\$50,159,032	\$52,503,552	-\$2,344,520.00	-4.5%	\$52,769,788	\$53,236,500	\$53,778,200	\$54,584,873	\$54,597,355
Total State Operating Cost ^	\$27,336,369	\$26,251,776	\$1,084,593.00	4.1%	\$28,482,131	\$28,008,926	\$27,775,500	\$27,932,592	\$27,336,260
TRAIN ONLY									
Train Only Revenue	\$22,098,541	\$23,626,598	(1,528,057)	-6.5%	\$24,129,280	\$24,324,920	\$25,053,538	\$25,805,144	\$25,732,000
Train Only Expenses	\$48,125,184	\$50,374,638	(2,249,454)	-4.5%	\$50,817,788	\$51,370,500	\$51,884,200	\$52,662,463	\$52,797,355
Train Only State Operating Cost	\$26,026,643	\$26,748,040	(721,397)	-2.7%	\$26,688,508	\$27,045,580	\$26,830,662	\$26,857,319	\$27,065,355
Passenger Miles	101,781,178	114,776,480	(12,995,302)	-11.3%	102,596,557	103,772,500	106,366,813	109,557,817	112,296,762
Train Miles	1,189,388	1,201,305	(11,917)	-1.0%	1,201,305	1,201,305	1,201,305	1,201,305	1,201,305

^ - Includes payments to Amtrak for use of equipment (including insurance) and minor capital costs. Not included in any other line item.

• - Represents fixed price contract cost for FFY 2005-06 and FFY 2006-07. Actual contract cost may be lower, but not higher.

¶ - Per Business Plan Update/Amtrak Contract

@ - Standard assumes increased train service to San Jose, Placer County: 32 Oakland-Sacramento weekday trains (22 on weekends), 22 daily trains to/from San Jose, 8 daily trains to/from Roseville and 4 daily trains to/from Auburn.

NOTE 1 - Performance measures not calculated where no standard was developed.

APPENDIX D HOW'S BUSINESS?

How's Business?: Ridership

-10.38% Overall 12-Month Growth
13.11% Overall Prior 12-Month Growth



■ 2X Prior 12 Months ■ Prior 12 Months ■ Current 12 Months

Ridership Last 12 Months=1,544,505

Ridership Prior 12 Months=1,723,422

% difference current month to prior year's month

