



April 20, 2016

The Honorable Brian Kelly
Secretary, California State Transportation Agency
915 Capitol Mall, Suite 350B
Sacramento, CA 95814

SUBJECT: CCJPA FY 2016-17 – FY 2017-18 Business Plan Update – FINAL

Dear Secretary Kelly:

In accordance with the Interagency Transfer Agreement between the Capitol Corridor Joint Powers Authority (CCJPA) and the State of California, on behalf of the CCJPA, I am pleased to submit the final Business Plan Update for the Capitol Corridor intercity passenger train service for FY 2016-17 and FY 2017-18. The CCJPA Board of Directors formally adopted this Business Plan Update at its February 17, 2016 meeting (see attached Resolution 16-02), which provides for the submission of this business plan to the California State Transportation Agency (CalSTA). In conjunction with the development of this business plan, the CCJPA conducted eleven (11) public workshops throughout the service territory to obtain public comments.

In summary, this business plan:

- Proposes a decrease of \$16,000 for FY 16-17 (or -0.0%) compared to the FY 15-16 CCJPA operating budget for the current service plan (30 weekday and 22 weekend trains) due to the combination of continued lower diesel fuel prices and limited increased revenues that offset increased labor costs. For FY 17-18, the CCJPA's budget request represents an increase of \$719,000 (or +2.0%) compared to FY 15-16 due lower rate of revenue increases compared to a higher rate of increase in fuel and labor expenses.
- Provides the CCJPA's operating strategies and Capital Improvement Program (CIP) that incorporate the developments of the California State Rail Plan, and the CCJPA's recent update to its *Vision Plan (Nov. 2014)*.
- Implement updates to the CCJPA website, improves communications programs with passengers; and start marketing programs to raise the awareness of the Capitol Corridor brand and grow ridership.

With the submittal of the business plan update, the CCJPA will now move forward in developing the FY 17 operating contract and budget with Amtrak that will ensure that the Capitol Corridor trains and buses continue to be a safe, reliable, frequent, customer-focused, and cost-effective transportation service connecting the Northern California (Sacramento-San Francisco Bay Area-Silicon Valley) Megaregion.

The CCJPA extends our appreciation to the team at CalSTA for the extension of the April 1 deadline for this business plan update so the CCJPA could incorporate Amtrak's FY 17 forecasts for the Capitol Corridor (received on March 31, 2016), which subsequently required further refinements. It bears repeating that the CCJPA is grateful for the continued support from CalSTA. Please contact me with any questions at (510) 464-6993 or davidk@capitolcorridor.org.

Sincerely,

David B. Kutrosky
Managing Director

Enclosures

cc: CCJPA Board of Directors
Malcolm Dougherty, Caltrans – Director
Bruce Roberts, Caltrans - Division of Mass Transit and Rail
Chad Edison, Deputy Secretary - CalSTA

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BEFORE THE
CAPITOL CORRIDOR JOINT POWERS AUTHORITY
BOARD OF DIRECTORS

In the Matter of
Approving the State Fiscal Year 2016-17 – FY 2017-18
Business Plan Update for the Capitol Corridor Service
For the Capitol Corridor Joint Powers Authority /

Resolution No. 16-02

WHEREAS, the CCJPA staff have prepared a Draft FY 2016-17 – FY 2017-18 Business Plan Update (“Business Plan Update”), held a series of public workshops to solicit input from between January 25-28, and received comments, which, as appropriate, were incorporated into the draft document; and

WHEREAS, the Business Plan Update reflects a weekday train schedule of 30 weekday trains and 22 weekend trains, and outlines a capital funding strategy to advance the CCJPA’s Capital Improvement Program (CIP) that includes the CCJPA’s pursuit of the Cap and Trade Transit/Intercity Rail Capital Program administered by the California State Transportation Agency (CalSTA), which will assist in financing the capital projects necessary to support the CCJPA’s service expansion plans to Roseville and San Jose/Salinas, and builds upon the success of previous award-winning marketing campaigns/programs to raise the awareness of the Capitol Corridor “brand”; and

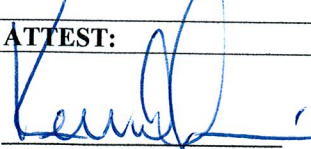
WHEREAS, the CCJPA Board acting for and on behalf of the Capitol Corridor Joint Powers Authority has prepared for the CalSTA a Business Plan Update for the Capitol Corridor Service for State FY 2016-17 – FY 2017-18 in the form appended hereto; and

WHEREAS, preparation and submission of the Business Plan Update to the Secretary of CalSTA by April 1 of each year is mandated pursuant to the provisions of California Government Code 14070.4(b);

RESOLVED, that the CCJPA Board does hereby approve and adopt the FY 2016-17 – FY 2017-18 Business Plan Update for the Capitol Corridor Service.

AND BE IT FURTHER RESOLVED, that the CCJPA forthwith transmit a copy of this resolution to CalSTA and Caltrans.

#

ACTION: Adopted	DATE: 2/17/2016	ATTEST:
Ayes: (12) Murray, Serna, Holmes, Ruslin, Carrasco, Peralez, Mallett, Raburn, Radulovich, Saltzman, Batchelor, Price		 Kenneth A. Duron Secretary
Noes: (0) None		
Abstain: (0) None		

CAPITOL CORRIDOR

INTERCITY PASSENGER RAIL SERVICE

Auburn • Sacramento • Davis • Suisun/Fairfield • Martinez • Oakland/San Francisco • San Jose



Business Plan Update FY 2016-17 - FY 2017-18

CAPITOL CORRIDOR
INTERCITY PASSENGER RAIL SERVICE
BUSINESS PLAN UPDATE
FY 2016-17 – FY 2017-18
APRIL 2016
FINAL

PREPARED BY
CAPITOL CORRIDOR JOINT POWERS AUTHORITY

PREPARED FOR
CALIFORNIA STATE TRANSPORTATION AGENCY



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EXECUTIVE SUMMARY

Introduction. This Business Plan Update presents an overview of the Capitol Corridor Joint Powers Authority’s (CCJPA) strategic plan and funding request for the next two fiscal years (FY 2016-17 and FY 2017-18), to be submitted to the Secretary of the California State Transportation Agency (CalSTA) in April 2016. It also outlines the service and capital improvements that have contributed to the Capitol Corridor’s success, identifies needed improvements to sustain its growth, and incorporates customer input as detailed in Chapter 263 of California State Law.

As administrator of the service, the CCJPA’s primary focus is the continuous improvement of the Capitol Corridor® train service by effective cost management, gaining share in the travel market, and delivering a customer-focused, safe, frequent, reliable, and green transportation alternative to the congested I-80, I-680, and I-880 highway corridors. The CCJPA is governed by a Board of Directors comprised of 16 elected officials from six member agencies along the 170-mile Capitol Corridor® route (see Figure 1-1):

IN FY 2016-17 AND FY 2017-18 THE CCJPA WILL BUILD UPON RECORD SERVICE PERFORMANCE IN FY 2015-16 AND FOCUS ON SERVICE EXPANSION STEPS FOR THE PLACER COUNTY AND SILICON VALLEY MARKETS.

- 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)

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 continuing on to San Jose. In August 2012 the CCJPA was able to utilize the reconfigured Sacramento station to optimize operational cost effectiveness and reduced service to 30 daily round trips between Sacramento and Oakland (freeing up the two allotted track capacity slots to the sister San Joaquin IPR service).

Operating Plan. The service levels introduced in 2012 for weekday and weekend service, with slight modifications, have proven a success since it was introduced and for FY 2016-17 the CCJPA will maintain this successful operating plan. During the past year (FY 2015-16) the CCJPA worked with the National Railroad Passenger Corporation (Amtrak®) to ensure that eTicketing via the Amtrak website and on smartphones was available for all ticket types, not just single ride tickets. The success of eTicketing has been two-fold: increased percentage of sales via digital channels (website, mobile devices) and an excellent and accurate source of data (station ridership, delay reporting (location, type), and train passenger loadings).

The basic operating costs for the Capitol Corridor conform with Section 209 of the Passenger Rail Improvement and Investment Act of 2008 (PRIIA). This policy was used to develop the costs for the FY 2016-17 CCJPA/Amtrak operating agreement and subsequent future CCJPA/Amtrak operating agreements. Based on forecasts submitted by Amtrak in April 2016, the FY 2016-17 budget is projected to decrease by \$16,000 compared to the current FY 2015-16 budget due to the combination of continued lower diesel fuel prices and limited increased revenues that offset increased labor costs.

Capitol Corridor Service	FY 2016-17	FY 2017-18
Sacramento – Oakland	30 weekday trains (22 weekend)	30 weekday trains (22 weekend)
Oakland – San Jose	14 daily trains	14 daily trains
Sacramento – Roseville	2 daily trains (with plans for up to 20)	2 daily trains (with plans for up to 20)
Roseville – Auburn	2 daily trains	2 daily trains
Total Budget (Operations, Marketing & Administration)	\$35,855,000	\$36,590,000
Change vs. FY 2015-16 Budget	-\$16,000 [0.0%]	+\$719,000 [+2.0%]

Performance Standards. CCJPA’s Vision Plan Update (adopted in 2014) establishes Capitol Corridor’s prevailing ridership goals, system operating ratio and on-time performance (OTP) standards and strengthened partnerships with the service operators: Amtrak and the Union Pacific Railroad (UPRR). Performance highlights include:

- Ridership was up 3.9% from the prior year in FY 2014-15; to date, FY 2015-16 ridership is up 6.3% from the prior year (through March 2016).
- Revenue was up 3.7% with the prior year in FY 2014-15; to date, FY 2015-16 revenue is 7.2% from the prior year (through March 2016).
- System operating ratio (a.k.a. farebox return) was 52% in FY 2014-15; to date the FY 2015-16 operating ratio is 54% (through March 2016).
- End-Point OTP was 93% in FY 2014-15, the best OTP in the Amtrak system for the sixth year in a row; to date (March 2016) OTP is at 94%.

The table below summarizes the standards and results for FY 2014-15 and the results and updated standards for FY 2015-16 for the next two fiscal years (see Appendix C):

Performance Standard	FY 14-15			FY 15-16			FY 16-17	FY 17-18
	Actual	Standard	% Change	Actual	Standard	% Change	Standard	Standard
Usage								
Route Ridership	1,474,873	1,408,600 (through 3/15)	4.7%	765,848 (through 3/16)	723,370 (through 3/16)	6.3%	1,520,000	1,555,000
Passenger Miles	98,943,004	95,384,000	3.7%	41,970,200 (through 2/16)	40,939,700 (through 2/16)	3.0%	93,752,600	95,627,700
Efficiency								
System Operating Ratio (train and feeder bus)	52%	47%	11.4%	54% (through 3/16)	50%	8.6%	49%	49%
Total Operating Cost/Passenger-Mile	\$0.58	\$0.63	-7.9%	\$0.57 (through 2/16)	\$0.63 (through 2/16)	-9.0%	\$0.63	\$0.63
Service Quality								
End-Point On-Time Performance	93%	90%	3.4%	94% (through 3/16)	90%	4.4%	90%	90%
Stations On-Time Performance	95%	90%	5.5%	96% (through 3/16)	90%	6.7%	90%	90%
Operator Delays/10K Miles	481	<325	+48.0%	310 (through 3/16)	<325	-4.6%	<325	<325

Capital Improvement Program. The CCJPA’s Capital Improvement Program (CIP) is consistent with regional and State of California transportation plans (e.g. Regional Transportation Plans, [RTPs] and Caltrans’ Statewide Rail Plan). The CIP includes projects aimed to increase reliability and capacity, build or renovate stations, add rolling stock, reduce travel times and enhance safety and security.

THE CCJPA IS ACTIVE IN THE DEVELOPMENT OF THE CAP AND TRADE PROGRAM IN CALIFORNIA IN REVIEWING DRAFT GUIDANCE AND SUPPORTING AIR QUALITY ANALYSIS METHODOLOGY FOR THE PROGRAM.

For FY 2016-17, the CCJPA will continue installing at-station bicycle access improvements to support the ever-growing sector of Capitol Corridor riders accessing the trains with their bikes and continuing its Capitalized Maintenance program with UPRR to maintain the superior OTP and reduce travel times for the Capitol Corridor trains. With environmental documentation for service expansion of up to ten round trips to Roseville cleared, the project is proceeding to final design. Expansion of service to San Jose will require an inclusive partnership with Bay Area agencies to address the complexities of the numerous rail routes along the East Bay for freight and passenger services. Concurrently, the CCJPA will continue working with state and federal transportation agencies to assemble funding sources for the construction of these service expansions.

Marketing Strategies. The CCJPA’s marketing strategies for FY 2016-17 and FY 2017-18 will continue to target markets and increase ridership where seating capacity is available by raising awareness of destinations, transit connections, and amenities. Another objective is to enhance customer service and travel information using enhanced communications.

Action Plan. Working with its service partners, the CCJPA was able to achieve record performance results for the Capitol Corridor in FY 2014-15 and, as set forth in this business plan update, will focus on delivering a superior, safe, frequent, reliable, and customer-focused service plan for the Capitol Corridor trains while also setting the stage for implementing service expansions, meeting or exceeding near-term budget projections, and implementing promotional programs and campaigns to maintain the Capitol Corridor as the preferred transport alternative in Northern California Megaregion.

1. INTRODUCTION

This Business Plan Update modifies the CCJPA's report submitted to the Secretary of the California State Transportation Agency (CalSTA) every April. This Business Plan Update identifies the service and capital improvements that have contributed to the Capitol Corridor's success during the past 15 years. It also incorporates customer input detailed in Chapter 263 of State Law that allowed for the transfer of the

THE CAPITOL CORRIDOR IS UNIQUELY POSITIONED TO PROVIDE A SUSTAINABLE TRANSPORTATION SERVICE CONNECTING THE THREE ECONOMIC EMPLOYMENT CENTERS IN NORTHERN CALIFORNIA – SACRAMENTO/CAPITAL, SAN FRANCISCO/OAKLAND, AND SAN JOSE/SILICON VALLEY.

Capitol Corridor service to the CCJPA on July 1, 1998. 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 CalSTA for the CCJPA's operating, administrative, and marketing costs for inclusion in the State Budget proposal to the Legislature.

For FY 2016-17, CCJPA will initially continue the operation of the schedule introduced in August 2012 made feasible at the Sacramento Valley Station by relocation of the passenger platforms and corresponding increased layover storage facilities. The service levels for FY 16-17 will remain the same as what is provided today: 30 trains during the weekdays between Sacramento and Oakland (22 weekend trains); 14 daily trains between Oakland Jack London Square and San Jose and 2 daily trains between Sacramento and Auburn. The CCJPA is evaluating various service optimization plans to drive down operating costs and/or increase ridership/revenues.

- 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)

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):

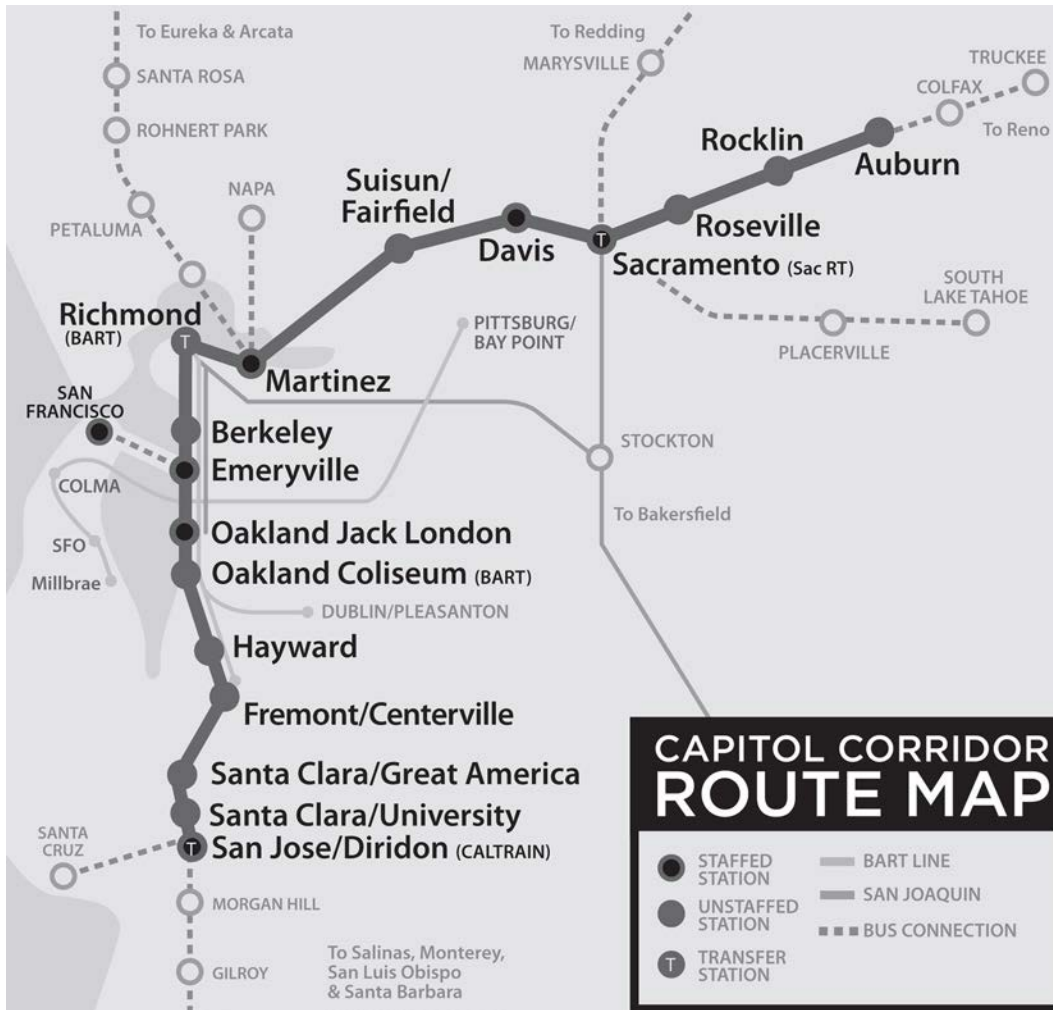
As administrator for the Capitol Corridor, the CCJPA's responsibilities include overseeing day-to-day train and motorcoach scheduling and operations; reinvesting operating efficiencies into service enhancements; overseeing Amtrak's deployment and maintenance of rolling stock for the Capitol Corridor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

The Capitol Corridor serves 17 train 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 riders, private sector stakeholders (such as Chambers of Commerce), and public sector interests (such as local transportation agencies), along with the entities that help deliver the Capitol Corridor service – Amtrak, UPRR, Caltrans, and the various agencies and communities that are along the Capitol Corridor.

Implementation Plan and Vision Communications Plan. The CCJPA Board has established a CCJPA Board Ad Hoc Vision Plan Subcommittee which helped guide the 2014 Vision Plan Update. This Vision Plan Update has significant focus on the long-term evolution of the Capitol Corridor service and includes two additional plan elements, a Vision Implementation Plan (VIP) and Vision Communications Plan (VCP). CCJPA commenced the VIP in 2015 which will continue in to 2016. The VCP will commence after the VIP is further advanced.

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



2. HISTORICAL PERFORMANCE OF THE SERVICE

On December 12, 1991, the State of California Department of Transportation (Caltrans) and 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 CCJPA, a partnership among six local transportation agencies sharing 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 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 33% expansion was made possible with the completion of Phase 1 of the Oakland-to-San Jose track improvements (completed in 2006) and the Yolo Causeway second main track (completed in 2004). Together, these projects contributed to a 10-minute reduction in travel time between Sacramento and Oakland, in addition to more frequent service.

The success of the August 2006 service expansion has highlighted the need to increase service frequencies to San Jose/Silicon Valley and Placer County. Expanding this hourly train service to and from San Jose and Placer County will require additional rolling stock and further track capacity improvements (see Section 4). Absent these expansions, the sole means to increase ridership is through (1) further optimizations of the service plan/train schedule and (2) securing additional rolling stock that will increase seating capacity by adding more rail cars to the existing scheduled trains.

SERVICE EXPANSIONS, CORRESPONDING TRACK CAPACITY IMPROVEMENTS AND TRAIN EQUIPMENT ACQUISITIONS HAVE ENABLED THE CAPITOL CORRIDOR TO INCREASE MARKET SHARE AND SUSTAIN SIGNIFICANT GROWTH IN RIDERSHIP (+265%) AND REVENUES (+370%) DURING THE PAST 17 YEARS.

The benefits of these service expansions, service optimization adjustments, corresponding track capacity improvements and train equipment acquisitions have enabled the Capitol Corridor to increase market share and sustain significant growth in ridership (+265%) and revenues (+370%) during the past 17 years. These expansions have propelled and solidified Capitol Corridor’s status as the third busiest route in the Amtrak national system.

Future service expansions to Roseville and San Jose, which are in various stages of development, show promise of additional ridership and revenue when these expansions are constructed and implemented in future years.

Motorcoach Service and Transit Connections

To supplement train service, the Capitol Corridor provides dedicated motorcoach bus connections to San Francisco and communities along the

Central Coast region south of San Jose (Salinas, San Luis Obispo) and east of Sacramento (South Lake Tahoe, CA and Reno, NV). In addition, the CCJPA partners with 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 the San Jose-Diridon and Santa Clara/University stations; 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 Sacramento 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, Sacramento RT, Rio Vista Delta Breeze, E-Tran (Elk Grove), Yolobus, Unitrans, County Connection (Martinez), Santa Clara VTA, Fairfield and Suisun Transit, and WestCAT. There is also a Napa Vine Route 21 connection at the Suisun-Fairfield station with connections to the Napa Airport. The CCJPA reimburses the transit agencies for each transfer collected as part of our operating expenses. There is also a joint ticketing arrangement with Placer Commuter Express and Roseville Transit. CCJPA also partners with Santa Cruz Metro and Monterey-Salinas Transit to share operating costs for the benefit of both agencies and their riders.

FY 2015-16 Operating Plan

The CCJPA’s operating plan for FY 2015-16 is based on the August 13, 2012 timetable schedule which reduced two weekday trains (that allocated capacity on the route was provided to the San Joaquin IPR service). Rationalized service planning in 2012 optimized the performance of the Capitol Corridor, established an efficient mixture of service along with train and crew turns and also addressed limited

financial (operating and capital) support from the State. This core 2012 service plan continues to be the basis for the current Operating Plan for FY 2015-16:

- Sacramento – Oakland: 30 weekday trains (22 weekend day trains)
- Oakland – San Jose: 14 daily trains
- Sacramento – Roseville – Auburn: two daily trains

Due to sudden, rising labor costs for San Francisco motorcoach service, CCJPA plans to reduce the service levels in San Francisco and/or increase fares into San Francisco in order to balance the budget. These service changes are expected to occur in Spring/Summer 2016. A majority of the San Francisco bus stops are well-served by local transit such as BART and SF Muni. Discounted BART tickets are offered for sale on board Capitol Corridor, and CCJPA plans to approach SF Muni about joining our Transit Transfer program, to facilitate connections to San Francisco for our passengers.

FY 2016-17 and FY 2017-18 Operating Plan

FY 2016-17. The CCJPA will maintain an operating plan for FY 2016-17 that will be the same as the current FY 2015-16 Operating Plan. The plan is as follows:

- Sacramento – Oakland: 30 weekday trains (22 weekend day trains)
- Oakland – San Jose: 14 daily trains
- Sacramento – Roseville – Auburn: two daily trains

While the basis of these operating plans is built on the efficiencies realized from the core 2012 service plan the CCJPA is currently working with Amtrak and the San Joaquin Joint Powers Authority (SJJPA) to explore opportunities to optimize the service delivery plan to reduce operating costs and/or increase ridership/revenues. The CCJPA is also working with local communities that own the train stations served by the Capitol Corridor trains to address station access limitations (e.g., lack of available car parking after certain hours, minimal connecting transit access, lack of secure bicycle parking facilities) that will in turn help to maximize ridership growth.

4. SHORT- AND LONG-TERM CAPITAL IMPROVEMENT PROGRAM

The CCJPA maintains a Capital Improvement Program (CIP) used to continuously improve the Capitol Corridor's reliability, travel times, on-time performance, safety/security, but also to expand service frequency in the face of increasingly uncertain sources for capital funding. Since the inception of the Capitol Corridor service, nearly \$995 million from a mixture of funding sources has been invested or programmed to purchase rolling stock, build or renovate stations, upgrade track and signal systems for

THE CCJPA'S USE OF 480-VOLT POWER CABINETS DURING EQUIPMENT LAYOVER AT THE SACRAMENTO VALLEY AND SAN JOSE-DIRIDON STATIONS HAS RESULTED IN A 2% REDUCTION DIESEL FUEL CONSUMPTION, REDUCING EXPENSES AND POLLUTANT EMISSIONS. THESE SAVINGS WILL BE FURTHER ENHANCED WITH THE ADDITION OF A CABINET AT THE AUBURN STATION IN SUMMER 2016.

increased capacity, and construct train maintenance and layover/storage facilities. Most of these investments (approximately \$950 million) occurred between the inception of the Capitol Corridor service in 1991 until 2006, a period of more certain capital funding sources on the state side. In contrast to those first fifteen or so years, over the last ten years the CCJPA has only received \$49 million in capital funding to invest in the route. The pace of capital investment can be directly tracked to the shift from more stable longer-term funding sources (State Transportation Improvement Program or STIP) to funding sources that are ad-hoc in nature (bonding programs, legislatively-capped programs) that can variously require extensive preparation of competitive grants and review by state authorities for award.

Due to a variety of external pressures, total STIP funding has declined significantly over time. In 2002, over \$7 billion was available to be programmed for new transportation projects over the following five years. In 2012, only half that amount, or roughly \$3.5 billion, was available to program

new projects in the five years following California Transportation Commission adoption of the plan. The ITIP is an intercity portion of the overall STIP and the partition of the STIP usable by the CCJPA as the manager of the Capitol Corridor IPR service. Because it is determined by statutory formula, the amount available for ITIP funding has decreased proportionally over that time. For CCJPA, the dwindling ITIP program has primarily consisted of continued support for Capitalized Maintenance (\$1 million per year) for another five years (via the 2014 STIP – ITIP portion). These projects include a program of upgrades to

replace track and signal components that will continue to ensure high on-time performance for the Capitol Corridor trains – vitally important to the Capitol Corridor service.

With the diminishing capacity of the STIP, capital funding alternatives such as bond and grant programs now come to the forefront of CCJPA's CIP perspective. Proposition 1B bonds have been responsible for a series of station, service amenity, and track infrastructure improvements over the last decade. Proposition 1A bond funds are intended to support high-speed connected capital infrastructure projects but Capitol Corridor's share has yet to be expended. The programmed Proposition 1A funds Capitol Corridor intends to use are but matching sources for larger and more capital funding intensive projects. Thus, pairing Proposition 1A funds becomes effective only if paired with competitive grant programs or other related bond sources – STIP funds are not abundant enough in the future to be that stable source of large scale capital funding.

To date, in the grant award area CCJPA is able to share some highlights. These include a set of small state allocations and successful regional grant awards being used to support the demand for at-station bicycle facilities such as eLockers and folding bicycle rental kiosks at select stations. However, the brightest spot for CCJPA in the grant area was an award of funding from the Cap and Trade program for a travel time-savings project which would result in a ten-minute travel time reduction (and also benefit the Altamont Corridor Express commuter rail service).

Transformative service frequency projects, like those done in the 1998-2006 period, require significant and (usually) stable capital funding – precisely what is lacking at this time. CCJPA is working to increase service frequencies on the two ends of its existing service corridor: Roseville and San Jose/Silicon Valley.

- Sacramento and Roseville 3rd Track Project: CCJPA expended \$3.53 million of state funding to complete initial design and environmentally clear a third mainline track between Sacramento and Roseville (called the Sacramento to Roseville 3rd Track Project), which would allow for the increase from two daily trains to up to twenty daily trains. This project is poised to move into the construction phase once sufficient funding (estimated cost is \$275 million) is assembled. Currently, identification of stable funding sources has not yet emerged nor has any phased implementation plan using incremental capital funding been established as of this writing. At present, just short of \$19 million is assembled in programmed funding including some Proposition 1A funding. Several options to proceed include seeking one time or multi-year grants for the project via Cap and Trade (Transit and Intercity Rail Capital Program) funds and via federal FAST Act funding sources, assuming proposed authorization levels for FY 2017 – FY 2020 are included subsequent federal appropriations.
- Oakland-San Jose Phase 2 Project: Service expansion between Oakland and San Jose from the current 14 to 22 daily trains (and setting the stage for service extension to Salinas) has been an objective of the CCJPA Board for years but has proven a difficult objective to achieve with the ownership, freight growth preservation, and passenger rail expansion objectives of not only the CCJPA but also the Altamont Corridor Express (ACE) commuter rail service, Caltrain and the planned high speed train service into San Jose/San Francisco. These complexities exacerbate the already complicated funding picture. Ongoing discussions with the various agencies and the host railroad (UPRR) have not yet yielded results acceptable to all parties.

However, in preparation of eventual and anticipated track work required in the Oakland to San Jose territory, the CCJPA is presently using state funding programmed and allocated (\$3.35 million) several years ago to support engineering design and environmental documentation for a limited set of sub-projects south of Newark and in the Santa Clara and San Jose Diridon area. These sections of track improvements once designed and environmentally cleared will be useful advances for CCJPA's objective of more service to/from San Jose that will complement and supplement any capital improvement package agreed to the interested parties. While these sub-projects are advanced, the CCJPA and a variety of other state and Bay Area partners will continue to negotiate with the UPRR for an effective and balanced solution toward passenger rail and freight goods movement in the Bay Area.

At the state level, the Cap and Trade auction revenues are aimed at being allocated toward various eligible transformative greenhouse gas (GHG) reducing projects which also may provide localized air quality

benefits to various designated disadvantaged communities throughout California. Notably the Transit Intercity Rail Capital Program (TIRCP) is best oriented towards CCJPA's capital project objectives. CCJPA was successful in the initial 2014-15 program with the Capitol Corridor Travel Time Savings Project discussed above being awarded from the initial awards TIRCP projects. Future funding rounds of TIRCP are being developed at this time and with recently enacted legislation (SB9, Beall) which would allow for multi-year allocations for longer-term projects, the TIRCP program appears to be most promising for funding CCJPA's capital projects that align with the state's TIRCP objectives. If CCJPA were awarded a multi-year grant, this would provide funding stability akin to the role the STIP program played in the key service frequency objectives that CCJPA successfully implemented in the past.

THE CCJPA WAS ACTIVE IN THE DEVELOPMENT OF THE INAUGURAL RAIL TITLE IN THE RECENT 5-YEAR SURFACE TRANSPORTATION AUTHORIZATION, FIXING AMERICA'S SURFACE TRANSPORTATION (FAST) ACT OF 2015, WHICH IDENTIFIES OVER \$2 BILLION FOR CAPITAL GRANTS TO STATE INTERCITY PASSENGER RAIL PROGRAMS.

As with the state capital funding picture, the federal picture is evolving and appears promising for federal investment in state intercity passenger rail for the first time ever. The Fixing America's Surface Transportation (FAST) Act of 2015 report was prepared for Congress in November 2015 and was approved by Congress (the House of Representatives and Senate) on December 3, 2015. President Obama signed the bill into law the next day, December 4, 2015. The FAST Act, the first multi-year surface transportation authorization in over 10 years, provides up to \$305B over five years for the nation's highway network, transit and commuter rail services, Amtrak, and – for the first time ever – state-supported intercity passenger rail services. The bill is the first time state IPR services are now part of a truly multi-modal federal surface transportation program and can pursue federal funds with matching state/regional/local funds to help continue the success and the growth of these passenger train services.

Of the \$305B, the Rail Title authorizes approximately \$10.4B for Amtrak, state-supported IPR services, and freight and other rail related programs. Key passenger rail-related accounts in the FAST Act are:

- Consolidated Rail Infrastructure and Safety Improvements (CRI & SI): The US DOT will seek projects from eligible applicants for competitive grants to finance improvements to passenger and freight rail services in terms of safety, efficiency, or reliability. PTC and other technology items and rail line relocation are also eligible for funding. \$1.103B over five years; a 50% match is required.
- State Of Good Repair (SOGR): The US DOT shall develop a program that will allow for grants to eligible applicants, on a competitive basis, to finance capital projects that reduce the state of good repair backlog with respect to qualified railroad assets. \$0.997B over 5 years; 20% match is required.
- State Supported Route Commission (SSRC): The SSRC is authorized at \$10M (\$2M per year for five years) and established by the US DOT Secretary of Transportation to coordinate planning of trains operated by Amtrak on state-supported routes so as to further implement Section 209 of the Passenger Rail Investment and Improvement Act of 2008 (PRIIA). Members include US DOT (likely FRA), Amtrak, and state intercity passenger rail agencies. (Note: The current State-Amtrak Intercity Passenger Rail Committee (SAIPRC) closely resembles the SSRC as described in the FAST Act.)

For all the effort put forth by the CCJPA and other state intercity passenger rail agencies to be included in the 5- year FAST Act (FY 2016 – FY 2020), the FY 2016 Omnibus Appropriations bill did not include the \$200 million authorized under the Consolidated Rail Infrastructure and Safety Improvements (CRI & SI) and State Of Good Repair (SOGR) sections of the FAST Act. The FY 2016 Omnibus budget did include the continuation of the popular TIGER grant program (\$500 million), which doles out an average of \$10-\$20 million per project. TIGER funding was perhaps the only other federal funding source available to the CCJPA for investments in the Capitol Corridor service. For instance, several years ago the City of Sacramento was successful in obtaining some TIGER funding for the Phase 2 rehabilitation of the Sacramento Depot building.

While the federal awareness of IPR services is growing as evidenced by the passage of the FAST Act, the outlook for federal transportation funding for any aspect of Capitol Corridor service would not become evident until FY 2017 at the earliest.

The Capitol Corridor service described in this business plan and in all business plans since FY 2005-06 is directly a by-product of the state's prior capital investment. The ridership and revenue results year after year from these investments are well documented. CCJPA's August 2006 service expansion to San Jose (Oakland-San Jose Phase 1 Project) was made possible by state capital investments from the 1998 to 2002 capital funding era. This was the last period of time when sufficient capital funding was consistently provided to build new service frequency increase (the increase in service between Oakland and San Jose from eight to fourteen daily trains).

Since 2008, as discussed above, the flow of capital funding from the state has slowed to a trickle.

However, momentum seems to be moving back towards investing in intercity passenger rail services due

THE CAPITOL CORRIDOR'S RIDERSHIP GROWTH BENEFITS THE ENVIRONMENT BY REDUCING AIR POLLUTION AND GREENHOUSE GAS EMISSIONS. IN FY 2014-15 THIS WAS ROUGHLY A NET REDUCTION OF OVER 2,700 TONS OF REDUCED CO₂; EQUIVALENT TO THE PLANTING OF MORE THAN 13,000 TREES.

to cost-effectiveness, relative expedient project implementation, and ease of integration with rail and transit service providers. This can be seen in the previously noted inclusion of a Rail Title in the FAST Act of 2015 and, most notably, the emergence of California's Cap and Trade auction revenues as a viable, long-term funding source for state transit and intercity passenger rail services. Taken together, these two programs provide the best capital funding prospect for future Capitol Corridor capital improvement opportunities. Regardless of what transpires for capital funding sources, it has always been CCJPA's philosophy to maintain a CIP that can serve as a blueprint for the near-term future and advance projects through the design and environmental review phases so as to be shovel-ready when capital investment opportunities become available to the CCJPA. A list of CIP projects that have been completed or are currently underway is included in Appendix B.

The CIP is consistent with the Regional Transportation Plans (RTPs) adopted by MTC, SACOG, PCTPA, Caltrans' 10-Year Statewide Rail Plan and the FRA's National Rail Plan. 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.

Programmed and Current Capital Improvements

Improvements during FY 2015-16 and FY 2016-17 do not include any major service frequency improvements due to the nature of available funding (see Table 4-1 for all projects underway, programmed, or planned). CCJPA has been successful at using a relatively small stream of capital funding since 2009 to maintain a track and maintenance program, albeit one that can only be sustained as long as funding is available (the Capitol Corridor is currently in year two of a five year allocation of \$1 million per year for this purpose) or shifted to an annual operating source. Without question, this ongoing investment with the UPRR has ensured that the track is maintained in optimal condition and thus been responsible for the exceptional on-time performance since 2009. CCJPA is also combining some of its safety and security funding with funding managed by Caltrans to use the Wi-Fi system to be the communications basis to install an On-Board Passenger Information (OBIS) system which will provide the infrastructure for automated audio and video based on-train announcements (e.g. station arrival information) and service alert messages. OBIS is such a complex logistical project to develop, test, and then install on a fleet in heavy use that CCJPA does not expect to have OBIS before the public until the first cars retrofitted in early to mid-2017.

Other current capital programs include safety/security projects implemented with Proposition 1B funding provided by the California Office of Emergency Services (CalOES) with funding that will expire in FY 2015-16 (but be eligible for expenditure over the next three additional years). Proposition 1B awards support safety and security projects, and CalOES obligates \$1.9 million per year for the Capitol Corridor, which is used with specially identified Transit Safety and Security funds. Projects funded in this area include station security cameras, right-of-way security fences, and the fore-mentioned OBIS system. Mentioned already is the ongoing engineering design and environmental documentation processes for the Oakland to San Jose Phase 2 service expansion.

Out-Year Capital Improvement Program

Whether maintained as an ongoing capital investment program or subsumed into annual operations there is absolutely no debate that the CCJPA’s most valuable capital investment will be to continue the investment in capitalized track maintenance. This program plays a massive role ensuring that Capitol Corridor service is the top on-time performing intercity passenger rail service in the nation. Ongoing 2014 STIP funding will ensure that capitalized maintenance will receive \$1 million annually for five years but beyond that the future is unclear. Ensuring a funding stream for capitalized maintenance will continually be an ongoing CIP top objective.

Even in the short-term and extending into the long-term, the picture for capital funding, as discussed above, coupled with ongoing negotiations with UPRR about service capacity increases make discussion of the CIP beyond what is funded today an exercise in speculation. There are, in effect, two categories of capital improvements; those that can be implemented for under \$10M and often times much lower, and those that are transformative and likely to be in the \$200M or much more category. CCJPA continues to project opportunities for funding for the lower threshold level of projects. These projects are often times aimed at direct fixes, be they for service amenities, such as WiFi, or for station amenities, such as station signage. The truly transformational projects such as added service frequencies to Roseville or San Jose have effectively been off-the-table from a CIP perspective since the funding they require just has never been amassed or been amassable since CCJPA last completed a service frequency increase in 2006. Clearly, these transformational projects will require more deliberation and discussion with the many partners that could realize benefits. Thus, CCJPA’s existing strategy to remain poised to utilize any funding at the state or federal levels should any bond sales, funding, or new programs be announced seems more suitable for the “under \$10M” category of CIPA projects. For the larger projects, it is now clear that CCJPA must work with a variety of partners involved in transformational change of which Capitol Corridor is a part of that change. CCJPA’s ability as a funding partner to utilize Cap and Trade proceeds through TIRCP may be the key to realizing not only CCJPA objectives, but those of other agencies whose objectives overlap with CCJPA’s. This transformation into a connected and regional/mega-regional agency must be a focus of the CCJPA if the larger service expansion projects are expected to stand a chance of implementation.

Specific Capital Improvement Program Discussion

Additional New Cars and Locomotives:

Caltrans, owner of 95% of the rolling stock assigned to the Northern California intercity rail fleet, awarded a contract to a builder of new bi-level passenger rail cars in late 2012. The funding is comprised of the federal HSIPR program (\$168 million) and \$42 million in Prop 1B funds to acquire additional rolling stock. This added rolling stock will directly benefit CCJPA with the introduction of 10 new passenger cars, and is now expected to arrive in late 2018.

CAPITOL CORRIDOR ENDED FY 2014-15 WITH AN ON-TIME PERFORMANCE (OTP) OF 93%, THE BEST IN THE AMTRAK NETWORK, DUE TO A SOLID TRACK MAINTENANCE PROGRAM AND DISCIPLINED DISPATCHING BY UNION PACIFIC RAILROAD AND CALTRAIN.

In January 2014, the state of Illinois, as lead agency for the Midwest states, California, Oregon, and Washington, recently announced the award of a federally-funded locomotive procurement for the cleanest diesel-electric locomotives in the world, meeting EPA Tier IV emissions requirements. Six (6) of these cleaning-burning Tier IV locomotives, named “Chargers”, will be assigned to Northern California for use in the San Joaquin and Capitol Corridor services and are expected to arrive in mid to late 2016. CCJPA is actively engaged with rail partners around the state and with the California Air Resources Board (CARB) to increase the use of renewable fuels as a blend or all-out substitute of the current carbon-based diesel

fuel as soon as possible so that the “well to wheels” GHG emissions of the fuel used to propel the locomotives is significantly reduced.

Positive Train Control:

Another crucial short-term capital project is implementation of Positive Train Control (PTC). Federal law requires that a PTC system be in place by 2018 after extending past an original December 31, 2015 deadline. Caltrans Division of Rail (as owner of the rail cars and locomotives), working with Amtrak, is (1) completing the installation of the on-board PTC equipment on the cab control cars and locomotives and (2) constructing a remote server that will share the location of various intercity passenger trains

operated by Amtrak (including the three California intercity passenger rail routes) with the dispatching centers of the various host railroads to ensure interoperability between the various PTC systems with the on-board PTC systems of the intercity passenger trains. The UPRR and Caltrain (as railroad owners) have begun to install wayside PTC equipment along their respective railroad tracks.

**Table 4-1
Capital Projects by CCJPA and Others (\$ million)
Capitol Corridor**

CCJPA Sponsored Projects	Status	\$ Programmed	Funding Sources	Project Cost	Description/benefits
Sacramento to Roseville Third Main Track Construction (Phase 1A)	Limited construction funding programmed. CEQA approval Nov. 2015; NEPA FONSI poised once CCJPA makes application for federal funding	\$18.80	Prop 1A HST, STIP, PCTPA STIP	\$275.00	A third main track between Sacramento and Roseville which may be implemented in phases for eventually allowing 10 round trip trains to/from Roseville.
Oakland to San Jose Track Improvements	Limited construction funding programmed. Package of investments for service increase in flux due to ongoing negotiations with UPRR.	\$50.85	Prop 1A HST, ACTC funds, and sources TBD.	TBD	Service expansion plans in flux due to ongoing negotiations with UPRR, assessment of project benefits, and various fundings sources. Intended project is to supply a higher frequency of service.
Capitalized Maintenance Ph 4	Programmed/Underway	\$5.00	STIP	\$5.00	An ongoing track maintenance upgrade and enhancement program to retain high OTP
At-Station Bicycle eLockers and Folding Bicycle Rental	Underway in permitting at stations	\$0.78	PTA funding and other sources	\$0.78	Program for adding bicycle storage at stations along the route.
On-Board Passenger Information System (PIS) - Wireless Network component	Underway in design	\$4.00	Prop 1B	\$22.70	Funds the development and installation of an on-board video/audio information system based on geo-fencing and real time information. CCJPA funding supporting Caltrans Rail Division lead funding.
Travel Time Savings Project	Design underway	\$5.43	California Transit and Intercity Rail Program (TIRCP)	\$5.43	Project would improve running times along existing Capitol Corridor route by increasing speed on selected curves. This would take advantage of the enhanced abilities of the California equipment to travel faster on curved track.
Richmond train approach indicator and parking validator	Design underway	\$2.50	CCRP	\$2.50	Install a flashing light that will indicate to Capitol Corridor trains when a BART train is approaching, to allow better coordination of passengers transferring from BART to Capitol Corridor. Install a parking validator machine so that Capitol Corridor passengers can pay for parking in the station parking garage.
Auburn Security Cameras, Lighting and Standby Power	Design complete and construction to begin	\$1.90	CCRP and Prop. 1B	\$1.90	Improve safety and security by improving lighting and security cameras at the Auburn station and equipment layover facility. Construction of a standby power system will allow shutdown of locomotive engines during layover servicing period, saving fuel and reducing emissions.
Auburn Security Cameras, Lighting and Standby Power	Design complete and construction to begin	\$1.90	CCRP and Prop. 1B	\$1.90	Improve safety and security by improving lighting and security cameras at the Auburn station and equipment layover facility. Construction of a standby power system will allow shutdown of locomotive engines during layover servicing period, saving fuel and reducing emissions.
Station Safety and Informational signage	Design complete and construction to begin	\$0.70	CCRP and MCIP	\$0.70	Adopt an improved station information sign system to improve safety messaging and enhance Capitol Corridor branding. Install Capitol Corridor trailblazer signs leading to stations.
SUBTOTAL: CCJPA SPONSORED PROJECTS		\$100.84	NON-TBD TOTAL	\$366.76	
Non-CCJPA Sponsored Projects	Status	\$ Programmed	Funding Sources	Project Cost	Description/benefits
New Rolling Stock	A Caltrans led project that is underway	\$54.00	Prop 1B ICR, HSIPR (federal funding)	\$54.00	Funds the addition of 10 cars and 2 locomotives for use in CCJPA operations
Fairfield-Vacaville Station	A new Capitol Corridor station under construction with a grade separation	\$81.96	Various sources	\$93.96	Funds a new station stop in the Fairfield/Vacaville area with a grade crossing for Peabody Rd. Net new ridership for Capitol Corridor service.
Station Security Camera System Installation	Design complete and construction to begin	\$1.50	Prop. 1B and CCRP	\$1.50	Install security cameras covering the boarding platforms at four unstaffed stations: Rocklin, Roseville, Susan and Fremont.
Salinas Service Extension	Planning and environmental documentation steps in various stages of development.	\$141.00	Extension of Capitol Corridor service to Salinas with an initial 2 round trips with the potential for up to 6 round trips	TBD	Not yet approved by the CCJPA Board but being planned and coordinated with CCJPA and TAMC. UPRR modeling results required to determine project costs. Also awaiting outcome of Oakland to San Jose service frequency improvements.
SUBTOTAL: NON- CCJPA SPONSORED PROJECTS		\$322.46	NON-TBD TOTAL	\$196.50	
TOTAL - ALL PROJECTS		\$423.30	NON-TBD TOTAL	\$563.26	

Extension of Capitol Corridor Trains to Salinas:

CCJPA has been engaged with the Transportation Authority for Monterey County (TAMC) to extend two trains to Salinas once service to San Jose reaches 22 weekday trains. TAMC and CCJPA were actively working on a capital, funding, and governance program that can be taken to the respective Boards for approval; however, the viability of the approach CCJPA can take is directly linked to the evolving service expansion approach to/from San Jose.

Grade Separations:

Grade separations will continue to rank high on the list with both CCJPA and UPRR however there are no concrete plans at this time to pursue additional grade separations other than the Peabody Road separation which is underway at this time associated with the new, now under-construction Fairfield/Vacaville

station. 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 eliminating grade crossings or constructing separations, much less pay for them. It is likely that a strategy for service expansion to/from San Jose will need to include a program of grade separation constructions.

Vision Plan Update and Long-Term Capital Improvements (FY 2024 and beyond):

In 2013 the CCJPA Board established an CCJPA Board Ad Hoc Vision Plan Subcommittee (“subcommittee”) with the objective to describe a Capitol Corridor service which would look ahead an entire generation. The larger question asked was what would need to be done to meet the transportation needs of northern California in 2030 and beyond? Over the course of 2014, this subcommittee met several times to shape this longer-term vision for Capitol Corridor service and it resulted in adoption in November 2014 of the first of three Vision Plan documents, the Vision Plan Update.

The long-term vision for Capitol Corridor fundamentally involves developing Capitol Corridor service as one where frequency is not capped by existing host railroad agreements and one where higher-speed service (150 mph – electrified service) is permitted. Utilizing experts in engineering and planning, the subcommittee first established the core service objectives (e.g., much greater frequency, higher speed, adapting to sea level rise) and then worked with the resulting high-level engineering analysis to identify route alignment options. Those investments involve dedicated passenger rail tracks between Sacramento and the Bay Area; inclusion of a replacement higher elevation railroad bridge across the Carquinez Strait; a new alignment from Martinez to Richmond that connects with a higher approach from a replaced railroad bridge; and routing that avoids the exposure to anticipated higher rising tides on the current route.

With this core alignment analysis completed, various service schedules were developed based on presumed travel times and transit connections (e.g. connections with BART) and some initial ridership estimates were developed to establish if the resulting ridership utility was a worthwhile pursuit to continue. In short, the CCJPA Board felt that even with very conservative ridership estimates a long-range Vision Plan update should continue to be refined as a key CCJPA planning document for the future. While approving the Vision Plan Update, which outlines the core short and medium term objectives of this business plan along with the long-term vision described above, the CCJPA Board directed CCJPA staff to further develop a Vision Implementation Plan (VIP) and subsequent to that effort, if deemed viable at that point, develop a Vision Communications Plan (VCP) and then, if that proved viable, any of the follow-up processes, such as obtaining funding for initial design, environmental documentation, right-of-way acquisition, and eventually, construction and operations.

In the Business Plan submitted last year (FY 2015-16 and FY 2016-17) it was mentioned that future business plans will be developed on the basis of the CCJPA’s Vision Plan efforts. This statement could not have been more accurate. The Vision Implementation Plan (VIP) step is underway at this time and has proven to be revealing in CCJPA’s approach to capital programming. The combination of negotiations with UPRR for service expansion to/from San Jose, initial air quality analysis results of prior service expansion objectives, and discussions with both expert consultants and transportation partners in the Bay Area coupled with the VIP process thus far has revealed CCJPA is in the midst of a paradigm shift with respect to capital investment. The VIP was envisioned as a deeper dive into the high level objectives supported when the CCJPA Board adopted the Vision Plan Update document, the first of the three documents. Diving into the VIP has already caused CCJPA staff to look at capital investment and phasing in a new way. While still in process, examination of capital investment from the Oakland to San Jose section has revealed that a more near-term shift away from sharing tracks with a freight partner and towards right-of-way ownership of the rights of ownership with dedicated passenger tracks is a more useful public investment than trying to obtain passenger slots amongst freight trains. The capital investment is significant, but so is the payoff for the public. The VIP is still in progress and no outcomes and documentation are yet adopted by the CCJPA Board yet it is difficult to ignore the paradigm shift already suggested for CCJPA’s capital investment program. The Business Plan for next year will, in all likelihood, be more concrete towards the influence of the VIP than as presented here.

5. PERFORMANCE STANDARDS AND ACTION PLAN

The CCJPA’s management program for the Capitol Corridor utilizes a customer-focused business model approach. It emphasizes delivering reliable, frequent, safe, and cost-effective train service designed to sustain growth in ridership and revenue. During the past 16 years, ridership has trended upward by

providing a viable, transport alternative to the parallel congested I-80/I-680/I-880 highway corridors that is competitive in terms of 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 the 1.47 million riders in FY 2014-15 (see Table 5-1), the Capitol Corridor generated over 98 million passenger miles, which corresponds to over 74 million vehicle miles traveled (VMTs) removed from Northern California highways. The net reduction of carbon dioxide provided by Capitol Corridor train service was over 2,800 tons for FY 2015-16, the equivalent of planting more than 13,500 trees. For health pollutant impacts such as ozone and particulate matter, the net effect for Californians is a reduction in those pollutants over automobile travel and as locomotives are replaced with the ordered Tier 4 cleaner burning locomotives, the net reduction of those pollutants begins to increase significantly.

THE CCJPA STRIVES TO MAXIMIZE EFFICIENCIES FOR THE OPERATION OF THE CAPITOL CORRIDOR SERVICE AND NOW WILL TURN ITS ATTENTION TO WORKING WITH STATION OWNERS TO IMPLEMENT ACCESS IMPROVEMENTS UNIQUE TO EACH STATION TO INCREASE RIDERSHIP AND IMPROVE CUSTOMER SATISFACTION.

The CCJPA develops performance standards for the Capitol Corridor service in coordination with the California State Transportation Agency (CalSTA). On June 30, 2014, in accordance with the Intercity Passenger Rail Act of 2012, the performance standards starting in FY 14-15 and onwards were updated by CalSTA to measure usage (ridership and passenger-miles), cost efficiency (system operating ratio and total operating costs/passenger-mile), and reliability (end-point on-time performance, station on-time performance, and operator delays/10,000 miles). Table 5-1 summarizes the updated standards and results for FY 2014-15 and for FY 2015-16 through December 2015, 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 2019-20.

Table 5-1 – System Performance Results and Standards

Performance Standard	FY 14-15			FY 15-16			FY 16-17	FY 17-18
	Actual	Standard	% Change	Actual	Standard	% Change	Standard	Standard
Usage								
Route Ridership	1,474,873	1,408,600 (through 3/15)	4.7%	765,848 (through 3/16)	723,370 (through 3/16)	6.3%	1,520,000	1,555,000
Passenger Miles	98,943,004	95,384,000	3.7%	41,970,200 (through 2/16)	40,939,700 (through 2/16)	3.0%	93,752,600	95,627,700
Efficiency								
System Operating Ratio (train and feeder bus)	52%	47%	11.4%	54% (through 3/16)	50%	8.6%	49%	49%
Total Operating Cost/Passenger-Mile	\$0.58	\$0.63	-7.9%	\$0.57 (through 2/16)	\$0.63 (through 2/16)	-9.0%	\$0.63	\$0.63
Service Quality								
End-Point On-Time Performance	93%	90%	3.4%	94% (through 3/16)	90%	4.4%	90%	90%
Stations On-Time Performance	95%	90%	5.5%	96% (through 3/16)	90%	6.7%	90%	90%
Operator Delays/10K Miles	481	<325	+48.0%	310 (through 3/16)	<325	-4.6%	<325	<325

FY 2014-15 Performance Standards and Results

The service plan for FY 2014-15 maintained the service that was initiated August 13, 2012 with a service plan of 30 weekday trains (22 weekend day). This service plan was initiated at the time to save approximately \$1 million in operating costs. Analysis over the fiscal year of ridership and revenue, and cost trends have demonstrated that solutions to improve ridership, revenue, and to reduce costs may require changes to the train schedules to address relatively flat ridership and revenue against gradually increasing costs. CCJPA is currently operating the maximum level of service frequencies along the entire Auburn-San Jose route permitted by the host railroads (UPRR and Caltrain) with the current available train equipment assigned to the Capitol Corridor.

FY 2014-15 was a historic year for the Capitol Corridor. Records were set for the three R’s (ridership, revenue and reliability). Ridership and revenue increased by 5% and 4%, respectively and Capitol Corridor retained the number one spot for on-time performance (reliability) in the Amtrak system for the sixth consecutive year. The primary reasons for the high level of OTP is an effective capitalized

maintenance program (resulting in a solid state of good repair) and disciplined dispatching by the host railroads (UPRR and Caltrain) to keep the Capitol Corridor trains operating safely and reliably.

For the busiest trains, a recovering regional economy plus high service reliability helped to sustain ridership and increase the attractiveness of the Capitol Corridor as a viable, safe, frequent, customer-focused public transport service linking the three metropolitan regions in Northern California. Increases in weekend ridership were experienced due to football games at Levi’s stadium in Santa Clara and the Oakland Coliseum.

In FY 2014-15:

- Ridership was 1.47 million, an increase of 5% over the prior FY 2013-14.
- Revenue was at \$30.0 million, which was 4% above FY 2013-14.
- System operating ratio (a.k.a. farebox return) was 52%, above the 47% ratio for FY 2013-14, primarily due to increased revenues and lower fuel expenses.
- OTP was 93%, keeping the Capitol Corridor as the most reliable IPR service in Amtrak’s national system.

FY 2015-16 Performance Standards and Results to Date

The CCJPA, in cooperation with Amtrak and Caltrans, developed the FY 2015-16 standards based on ridership, revenue, and operating expenses identified in the current FY 2015-16 CCJPA/Amtrak operating contract. These standards are presented in Table 5-1.

- Ridership. Year-to-date (through January 2016) ridership is 3.7% above last year and 4.1% above business plan projections due to an improving economy in Northern California (more specifically in Silicon Valley and San Francisco Bay Area employment bases), and strong weekend ridership (due to travel to sporting events [49ers, Raiders, Cal Bears, Oakland A’s]).
- Revenue. Year-to-date (through January 2016) revenue is 3.9% above last year and 3.4% above business plan projections.
- System Operating Ratio. Year-to-date (through January 2016) system operating ratio (total revenues divided by fixed and variable operating costs, a.k.a. farebox return) is 54%, above the FY 2015-16 standard of 50%.
- On-Time Performance (OTP). Year-to-date (through January 2016) OTP is 95%, which is above the 90% standard and maintains the Capitol Corridor service as the most reliable train route in the Amtrak system.

FY 2016-17 and FY 2017-18 Performance Standards

Table 5-1 provides the preliminary performance standards for FY 2016-17 and FY 2017-18. Appendix C shows the measures used to develop the performance standards. The FY 2016-17 and FY 2017-18 and future operating costs have been developed to conform with PRIIA Section 209 pricing policy, which stipulates that all state-financed, Amtrak-operated intercity passenger rail (IPR) routes under 750 miles shall be priced by Amtrak in a fair and equitable manner.

FY 2016-17 Action Plan

For FY 2016-17, the assignment of rolling stock to the Capitol Corridor service with increased on-train bicycle storage (through the use of retrofitted 8300 and existing 8200 series cars) has proved instrumental

CCJPA ACHIEVED A MILESTONE IN JUNE 2015 WHEN AMTRAK INTRODUCED THE ABILITY TO PURCHASE MULTI-RIDE TICKETS VIA THE AMTRAK APP THAT INCREASED THE CONVENIENCE FOR THE MAJORITY OF CAPITOL CORRIDOR PASSENGERS.

in safely accommodating demand for bicycle access and this will be maintained. Also, the first of the at-station secure bicycle facilities will be installed with potential completion by the end of the next fiscal year. There is potential that late in FY 2015-16 some of the initial “test” modified cars with on-board information systems (OBIS) may appear later in the fiscal year (retrofit will continue into next fiscal year). In terms of performance and customer satisfaction, the CCJPA will continue to strive for even higher levels of service performance through added or improved amenities related to real-time information and customer engagement through social media and other technology methods..

The following actions attempt to meet or exceed the established performance standards and provide exceptional service to the public traveling on the

congested I-80/I-680/I-880 transportation corridor.

1Q FY 2016-17

- Update CIP and funding sources based on programming capacity in the State FY 2016-17 budget
- Further the implementation of OBIS design with Amtrak's selected vendor for train on-board information systems (OBIS)
- Develop Amtrak operating contract for FY 2017 that implements PRIIA Section 209 pricing policy
- Install and implement the initial secure bicycle storage at select Capitol Corridor stations
- Seek marketing and promotional partnerships (such as the Oakland A's) 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
- Continue the environmental documentation and design efforts for the Oakland to San Jose Phase 2 project
- As approved, begin planning for any initial phases of Sacramento to Roseville Third Main Track Project
- Monitor the delivery, testing, and maintenance procedures for the first Tier IV locomotives as they arrive in Northern California
- Complete the construction plans and implement initial improvements for the Travel Time Savings project

2Q FY 2016-17

- Evaluate measures to improve train and motorcoach bus performance, including modifications to the service
- Seek Prop 1B Transit Safety/Security funds to support the FY 2016-17 security improvements, including, but not limited to cameras on trains and trackside safety fences; OBIS for the fleet
- Continue the install, as needed, of secure bicycle storage and develop the folding bicycle lease program at select Capitol Corridor stations
- Continue, with Caltrans Division of Rail staff, the various ongoing task orders for installation of OBIS for the Northern California Fleet, including initial test install on one trainset, if ready.
- Continue the environmental documentation and design efforts for the Oakland to San Jose Phase 2 project
- Implement the next (and final) phase of the Travel Time Savings project

3Q FY 2016-17

- Complete the Travel Time Savings project and test travel times and implement a new train schedule
- Receive the last of the new Tier IV locomotives and oversee transition from testing into full service for the six locomotives for the Capitol Corridor and San Joaquin IPR services
- Continue implementation of the first phase of at-station bicycle improvements with the respective vendors; issue RFP for folding bicycle program for select stations
- Develop Annual Performance Report and other information to present an overview of current performance and future plans
- Develop revised Business Plan Update for FY 2017-18 and 2018-19; hold public workshops to receive public input
- Initiate fleet installation of OBIS on the Northern California Fleet presuming testing on initial test trainset is successful
- Continue the environmental documentation and design efforts for the Oakland to San Jose Phase 2 project

4Q FY 2016-17

- Complete implementation of the first phase of at-station bicycle improvements with the respective vendors; select vendor for folding bicycle program
- Monitor installation of OBIS on the Northern California Fleet
- Conduct annual onboard surveys to assess rider profile and solicit feedback on Amtrak's performance
- Develop FY 2017-18 marketing program, including market research
- Continue the environmental documentation and design efforts for the Oakland to San Jose Phase 2 project

- Advance any approved phases of the Sacramento to Roseville Third Main Track project toward construction and complete service planning for any added trains

FY 2017-18 Action Plan

This action plan for FY 2017-18 is preliminary and will be revised during the second half of FY 2016-17. The CCJPA intends to focus on:

- Working with the UPRR and Amtrak to continue ridership and revenue growth by improving reliability, adjusting the service plan, and/or 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
- Developing marketing programs that retain riders through expanded amenities, loyalty campaigns and offers; and increase ridership through market research
- Updating performance standards as necessary
- Working with Amtrak to secure additional cost efficiencies to be reinvested in service enhancements
- Work with select local jurisdictions to implement the folding bicycle system
- Complete the environmental documentation process for the Oakland to San Jose Phase 2 Improvements
- Monitor any approved phases of the Sacramento to Roseville Third Main Track project and complete service plans for additional trains

6. ESTABLISHMENT OF FARES

The CCJPA develops fares in conjunction with Amtrak to ensure the Capitol Corridor service is attractive

and competitive with the automobile and other transit options. 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 options 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 not required for any of the trains. eTicketing was introduced in FY 2011-12 for one-way/round trip ticket purchases and in January 2014 all multi-ride tickets were moved to an eTicketing platform. There was program of small group ticketing initiated on a pilot basis in FY 2014-15 and based on its success, a more permanent program will be implemented in late FY 2014-15 or early FY 2015-16.

THE FREE 'WI-FI' SERVICE HAS SUPPORTED A 2.7% INCREASE IN TRIPS BASED ON UC DAVIS RESEARCHERS. THE INTERNET CONNECTION IS ALSO THE COMMUNICATIONS BACKBONE FOR PENDING OPERATIONAL APPLICATIONS SUCH AS THE ON-BOARD INFORMATION SYSTEM.

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 ratio goal of at least 50%.

FY 2016-17 Fares

The CCJPA has held fares flat for the last three years for Capitol Corridor ticket prices. (Fares were last adjusted with an across-the-board 2% increase in June 2013). For FY 2016-17, the CCJPA intends to increase multi-ride ticket fares (45-day/10-ride and monthly) by 2% in July 2016, with subsequent 2% increases on multi-ride tickets for the next two years (FY 2016-17 and FY 2017-18). In the past, the CCJPA has incrementally increased fares based on service improvements such as added trains, reduced travel times and served new stations and to address cost increases (such as fuel and Amtrak labor rates). These proposed multi-ride fare increases are intended to coincide with (1) increased Amtrak insurance premiums to manage the CCJPA's risk in managing the Capitol Corridor service and (2) pending service improvements (reduced travel times and the new Fairfield/Vacaville Station).

The CCJPA's planned 2% increase in multi-ride ticket prices for FY 2016-17 may need to be adjusted upwards if there are unforeseen cost increases, such as spikes in fuel prices (which appears rather unlikely at this moment). If this action is required, the CCJPA will work with Amtrak to consider factors such as ridership results, revenue levels, variable operating expenses (such as fuel), and overall economic conditions along communities in the corridor.

As part of its Marketing Program (Section 8), the CCJPA will develop initiatives designed to increase customer satisfaction and ridership.

Opportunities include:

- Create and enhance communications channels with customers, before and during their trips, for schedule information, train status, and service advisories
- Explore a new discount ticket for less-frequent riders
- Enhancing customer loyalty and referral programs to attract new riders
- Promoting the use of the folding bicycle lease program and electronically accessed secure bicycle facilities with Capitol Corridor as they are installed at stations
- Highlighting on-board amenities such as ‘Wi-Fi’ and the Café Car to emphasize convenience
- Increasing utilization of Amtrak’s various eTicketing initiatives will enable real-time validation and improve customer convenience. Having real-time information on ridership and revenue data will also lead to better operating cost efficiencies

Together, these fare and ticketing programs for FY 2016-17 will enhance customer convenience and increase revenue yield as part of the expanding eTicketing program.

FY 2017-18 Fares

The projected fare structure for FY 2017-18 will include the projected 2% increase in multi-ride ticket prices in July 2017. If operating expenses are fluctuate significantly (either increases or decreases), this planned fare increase will be revisited and be adjusted accordingly. Other fare and ticketing opportunities include:

- Continuing and expanding of transit connectivity programs such as the Transit Transfer Program, joint ticketing, and transfer of motorcoach bus routes to parallel local transit services

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 CCJPA works 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 that 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.

RECENTLY COMPLETED CAB CAR MODIFICATIONS TO CARRY MORE BICYCLES ALONG WITH UTILIZATION OF OTHER DEDICATED BICYCLE CARS HAS BEEN INSTRUMENTAL TO MEET THE GROWING USE OF A BICYCLE WITH CAPITOL CORRIDOR TRAIN TRAVEL.

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.

Mobility-impaired persons not in wheelchairs can utilize grip bars at each door, work with conductors to utilize on-train step stools, or even utilize the wheelchair lifts if boarding the train from the platform is needed. The OBIS system will include support for inductive hearing devices and compliant video and audio messaging.

Information Displays: Each California Car is equipped with passenger information displays that provide the train number and destination. OBIS will be implemented to replace these aging systems. The development process for OBIS will commence with the vendor and Amtrak in late FY 2014-15 and proceed through to implementation over a period of years but these displays will gradually be upgraded through the implementation of the OBIS system that will involve modern video and audio messaging and announcements.

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

Telecommunications/’Wi-Fi’: All cars in the fleet have ‘Wi-Fi’ service which runs off of the “brain” car, or Café/diner car. This service is free to the customer and permits basic email and web-browsing. Amtrak’s Wi-Fi Connect prohibits streaming services which would use up excessive amounts of bandwidth for a limited number of users. Free ‘Wi-Fi’ service launched November 28, 2011, was upgraded in March 2013, and is poised for another upgrade in summer 2016. Power plug access at each seat has been available for years and can power and charge passengers’ various electronic devices. The ‘Wi-Fi’ system is also a basis for operational applications, such as OBIS, which will be added over time as described above.

Bicycle Access: All Northern California Coach Cars have bicycle storage units that hold three bicycles on the lower level of the car. In addition, the 14 first generation California Cab Cars (8300-series) were retrofitted in FY 2013-14 to hold 13 bicycles as opposed to 7 bicycles. The five Surfliner Cab Cars (6000-series) have storage space for up to 13 bicycles in the lower level baggage area.

Bicycle storage demand on the Capitol Corridor trains has outstripped the capacity to safely meet demand. In FY 2012-13, the CCJPA adopted the Bicycle Access Plan which presents key actions to improve and increase on-train and secure station bicycle capacity

Food and Beverage Services: CCJPA is reaping the benefits of food service improvements implemented in prior fiscal years in customer satisfaction and increased sales of menu items. Modern point-of sale registers have been installed and are working well. As a future phase of OBIS, CCJPA and Amtrak will evaluate the viability of providing food service promotions and advertisements via on-board flat screen monitors.

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 Northern California Fleet supports both the Capitol Corridor and San Joaquin services. The fleet is a mix of California-owned equipment and leased Amtrak equipment as demonstrated in Table 7-1. New fleet acquisitions under development will dramatically increase service capacity. During FY 2012-13, Caltrans secured funding earmarked for 40 new coaches and six cleaner-burning locomotives for the Northern California fleet.

**Table 7-1
Northern California Equipment Fleet
Capitol Corridor and San Joaquin**

California owned rail equipment	NOTES
• 15 P59 locomotives	assigned to San Joaquin and Capitol Corridor service
• 2 DASH-8 locomotives	assigned to San Joaquin and Capitol Corridor service
• 84 bilevel California Coach and Café Cars	assigned to San Joaquin and Capitol Corridor service
• 14 single level Comet Cars	assigned to San Joaquin service
Amtrak Supplemental Equipment	NOTES
• 3 P42 locomotives	assigned to San Joaquin and Capitol Corridor service
• 3 bilevel Superliner coach cars	assigned to San Joaquin service
• 3 single level Café Cars	assigned to San Joaquin service
• 3 NCPU single level baggage cars	assigned to San Joaquin service

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.

Rail Equipment Projects Completed in 2015

- The original nine locomotives owned by the state went through an extensive multi-year state-funded renovation program. The main propulsion engines were rebuilt, exceeding current EPA TIER II emissions standards, thus maintaining our status as one of the cleanest fleets in the nation. Also, the head-end power (HEP) units in the locomotives that provide power for lighting, electrical outlets, etc., were updated to EPA Tier 4 standards.
- The Installation of Positive Train Control Equipment was installed in all of the States Locomotives.
- The CCJPA provided a contract with Caterpillar to assist Amtrak with the Maintenance and Training for the Head End Power units in the Locomotives.
- As part of our safety and security program, all cab-cars and locomotives are now equipped with a "forward facing" digital security camera system. This provides the CCJPA with a valuable tool to protect equipment from vandalism and assist with post-incident investigations.
- The 14 Comet 1B Coaches, three Horizon Diners and three non-powered control-unit (NPCU) Cab Cars are in use primarily on the San Joaquin Route.

Upcoming Projects FY 2016-2017

- The HVAC units, ducting and control systems will be replaced providing better air quality and climate control using new environmentally friendly technology and refrigerants. At the same time all Vestibule Flooring will be replaced.
- The Chillers for the Dining Cars will be replaced (the units that keep the food to proper temperature).

8. MARKETING STRATEGIES

The CCJPA employs a strategy of combining targeted advertising campaigns, multi-channeled cross-promotions and media outreach efforts to build awareness of the Capitol Corridor service. A primary

CCJPA'S MARKETING BUDGET HAS BEEN STAGNANT SINCE THE TRANSFER OF THE CAPITOL CORRIDOR SERVICE OVER SIXTEEN YEARS AGO AND THE PROGRAM HAS BEEN ADAPTED TO LEVERAGE IN-KIND PARTNERSHIPS AND LOW COST SOCIAL MEDIA OPPORTUNITIES.

objective is promoting the service in key markets and attracting riders to trains with available capacity. Staff will also focus on trying to attract first time riders through advertising, increasing brand visibility in the digital media space, and retaining existing riders. Marketing dollars and impact are maximized through joint promotions and advertising with key partners along our service route, as well as some reciprocal marketing programs with the State, Amtrak, CCJPA member agencies, and other selected partners.

Advertising Campaigns and Brand Awareness. Advertising campaigns inform leisure and business travel audiences about the advantages of train travel, including service attributes, promotions/pricing, and destinations. Recent advertising efforts include social media advertising, radio spots, local television, and online paid search. This mix is tailored for each campaign and continually adjusted to ensure consistent visibility in the target markets. For FY 2016-17, CCJPA's advertising efforts will emphasize the Capitol Corridor image and brand, in accordance with the CCJPA Board's edict to create a distinct, regional brand for Capitol Corridor and strengthen

brand awareness throughout the service area.

Promotions: The CCJPA will also continue successful programs that target specific markets designed to build ridership during off-peak hours such as midday, mid-week and weekend travel. Destination-focused promotions highlight riding the train to Oakland Coliseum and Levi's® Stadium events, which create awareness of the train as a way to reach other leisure destinations throughout Northern California. Additionally, the CCJPA continues to refine customer retention efforts through Rider Appreciation programs, social media engagement, and enhancing passenger-focused communication channels.

Online Presence and Customer Engagement. The CCJPA places great importance on delivering passenger communications via multiple channels. Efforts include:

- Leveraging Capitol Corridor's online presence across the Internet, boosting participation in online social networking sites, such as Facebook and Twitter.

- Coordination with Amtrak to enhance customer experience at the Contact Center level, including self-service of Transportation Credits, and customization of itinerary documents for Capitol Corridor travel. .
- Coordinating communications between the Customer Contact center, Marketing and Operations staff to ensure customers receive clear and up-to-date information about the Capitol Corridor service and promotions.
- Integration of our passenger service advisory system, including SMS text and e-mail service alerts, with the Capitol Corridor website and social media channels.

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 through leveraging partnerships with well-known organizations that share similar target audiences to increase the visibility of the Capitol Corridor brand. This work is increasingly important as advertising channels multiply despite persistent annual flat marketing budgets. For FY 2016-17, CCJPA will develop a new website for the on-board Wi-Fi service, which will be an information/service advisory/entertainment resource for passengers, and another means for partners to convey messaging.

Joint Marketing and Outreach. The CCJPA achieves cost efficiencies by working with local community partners such as CCJPA member agencies and local destinations to develop creative programs 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.

Customer Relations. The CCJPA views communication with passengers as the cornerstone of our customer-focused service delivery. We encourage passengers to provide input on our service performance through comment cards on the trains, phone calls, letters, and email. We use this feedback to identify and prioritize service modifications, capital improvements, and desired amenities in the service. Use of an online customer comment tracking portal has allowed the CCJPA to do a better job of communicating with the public, as well as coordinating internally to ensure that passengers receive an appropriate and timely response to their request or issue.

Public Relations. In FY 2016-17, the CCJPA’s public information efforts will use traditional and social media to continue to build awareness about its Bicycle Access Plan, promotions, rail safety and CCJPA’s customer service upgrades. We intend to enhance our current communications strategies to consistently alert passengers of service issues.

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
- Leveraging CCJPA riders who use and benefit from the service as advocates in their communities
- Reciprocal marketing with the tourism industry (i.e., hotels, airports, and convention/visitor bureaus)
- 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

FY 2016-17 Marketing Program

The CCJPA’s FY 2016-17 Marketing Program will continue to focus on increasing ridership on trains with available capacity by emphasizing the convenience of modern train travel and targeting service periods with the highest growth potential.

The CCJPA will continue its own independent campaigns that position Capitol Corridor as a distinct regional service brand. CCJPA will also coordinate with local partners and Amtrak on the most beneficial promotions, outreach, and shared marketing collateral. Marketing initiatives will also aim to enhance customer communications and engagement with passengers. Key elements will include:

Redesign of Wi-Fi landing page/website, which will be the primary touchpoint with our customers while they are on board, and will complement the future OBIS system by being an interactive resource for our passengers. The media- and content-rich site we hope will help ease the bandwidth demand on the existing Wi-Fi system, and be an enjoyable and beneficial resource for all of our passengers. The site will offer live information about the Wi-Fi speed, service advisories, ETA for next station, and plenty of other content for our riders

Joint media promotions with well-known organizations and continued coordination with Amtrak on selected promotions intended to maximize media dollars and expand market reach.

Expansion of social media marketing through networks such as Facebook and Twitter.

Enhance features and navigation of mobile-friendly website to improve communication to customers.

Create programs to encourage year-round travel for school/youth groups, and increase outreach to adult and senior citizens' groups.

FY 2017-18 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. Longer-term plans include additional customer outreach and reinvigorated retention efforts via a specific loyalty program for Capitol Corridor customers and development of mobile applications to enhance customer communications. Marketing and communication efforts will emphasize CCJPA's commitment to high quality, customer-focused passenger rail service and continue to 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 2016-17 and FY 2017-18.

FY 2016-17 and FY 2017-18 Operating Costs

Based on the Operating Plan and Strategies (Section 3), the CCJPA has prepared an initial forecast for the FY 2016-17 and FY 2017-18 operating expenses. The FY 2016-17 operating costs conform with Section 209 of the Passenger Rail Improvement and Investment Act of 2008 (PRIIA), which was implemented in FY 2013-14 as part national launch of a pricing policy for all Amtrak-operated IPR services under 750 miles. Amtrak will provide updated estimates in late March 2016.

Projected operating costs are shown in Table 9-1 and include the basic train service and associated feeder bus services provided by Amtrak plus the CCJPA's costs for the Information and Customer Support Services provided at the BART/CCJPA Contact Center and the CCJPA's share of relating to the local transit service partnerships. Compared to the existing FY 2015-16 budget, the FY 2016-17 operating costs are expected to decrease by \$16,000 (or -0.0%) due to continued decreases in fuel prices and slight increases in revenues that offset increased labor expenses. The CCJPA's budget request for the FY 2017-18 operations plan is expected increase by \$719,000 [+2.0%] compared to the current FY 2015-16 operating budget due to a projected net increase in operating expenses that are greater than estimated growth in revenues.

**Table 9-1
CCJPA FY 2016-17 - FY 2017-18 Funding Requirement
Capitol Corridor Service**

Service Level	Current	Proposed	
	FY 2015-16 Budget	FY 2016-17 Budget	FY 2017-18 Budget
Sacramento-Oakland			
Weekday	30	30	30
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	1,461,000	1,520,000	1,550,000
Third Party Expenses (a)	\$ 12,518,000	\$ 13,734,000	\$ 13,940,000
Amtrak Expenses (b)	\$ 49,634,000	\$ 49,391,000	\$ 50,626,000
Information/Customer Support Services (c)	\$ 817,000	\$ 817,000	\$ 817,000
TOTAL Expenses	\$ 62,969,000	\$ 63,942,000	\$ 65,383,000
Ticket Revenue	\$ 28,419,000	\$ 29,288,000	\$ 29,947,000
Food & Beverage Revenue	\$ 1,546,000	\$ 1,600,000	\$ 1,636,000
Other Revenue (d)	\$ 441,000	\$ 507,000	\$ 518,000
TOTAL Revenue	\$ 30,406,000	\$ 31,395,000	\$ 32,101,000
CCJPA Funding Requirement			
CCJPA Operating Budget	\$ 32,563,000	\$ 32,547,000	\$ 33,282,000
<i>Net Amtrak Operating Costs [Expenses less Revenues]</i>	\$ 31,746,000	\$ 31,730,000	\$ 32,465,000
<i>CCJPA Expenses - Info/Customer Services</i>	\$ 817,000	\$ 817,000	\$ 817,000
Marketing Budget (e)	\$ 1,174,000	\$ 1,174,000	\$ 1,174,000
Administrative Budget (f)	\$ 2,134,000	\$ 2,134,000	\$ 2,134,000
TOTAL CCJPA Funding Request (g)	\$ 35,871,000	\$ 35,855,000	\$ 36,590,000
Difference from FY15-16 Budget		\$ (16,000)	\$ 719,000
Percent Change from FY15-16 Budget		0.0%	2.0%
SUPPLEMENTAL ALLOCATIONS			
Minor Capital Projects (h)	\$ 500,000	\$ 500,000	\$ 500,000

(a) Includes Fuel, Host Railroad Maintenance of Way and Host Railroad On-Time Performance Incentive payments.

(b) Expenses for services provided by Amtrak (i.e. On Board Staffing, Station Services, Ticketing and Maintenance of Equipment) and overhead support fees.

(c) Operating expenses for call center/phone information and customer services provided by CCJPA/BART.

(d) Miscellaneous revenue as allocated by Amtrak's Performance Tracking system.

(e) Due to State budget constraints, the FY 2016-17 and FY 2017-18 marketing expenses will be capped at the same levels as the 12 prior fiscal years (\$1,174,000). Does not include contributions by Amtrak or additional resources provided by the State (i.e. market research program).

(f) Expenses for administrative support of the CCJPA Board and for management of the Capitol Corridor service.

(g) Sum of CCJPA Operating Budget plus Marketing & Administrative Budgets.

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

FY 2016-17 and FY 2017-18 Marketing Expenses

The CCJPA's marketing budget for FY 2016-17 and FY 2017-18 will fund the respective year's Marketing Programs presented in Section 8. The CCJPA will develop the various campaigns and programs. The 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 2016-17 and FY 2017-18 Administrative Expenses

Table 9-1 identifies the estimate for the FY 2016-17 and FY 2017-18 budgets that support the administrative activities of the CCJPA for the Capitol Corridor service. The FY 16-17 expenses to support

the CCJPA's administrative and management activities will remain the same as the current FY 15-16 Administrative Budget [\$2,134,000].

FY 2016-17 and FY 2017-18 Total Budget

Compared to the current period (FY 2015-16), the FY 2016-17 and FY 2017-18 total budgets for operating, marketing, and administrative costs of the CCJPA are expected to flat [0.0%] in FY 2016-17 and increase by 2.0% in FY 2017-18. The operating budget FY 2017-18 should be considered draft as Amtrak will not be providing operating cost estimates until late March 2017.

The Capitol Corridor service will remain a part of the state's IPR system and pursuant to the ITA the service will continue to receive annual funding appropriations from the state. To that end, 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.

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 subsequently renewed for another five years for the period of February 2010 through February 2015. These five-year terms are consistent with the enactment of AB 1717 in September 2003 that allows the CCJPA Board five years, instead of three, to monitor BART's performance as the Managing Agency. Most recently, the CCJPA Board at its November 2014 meeting has approved a five-year term with BART for the period of February 2015 – February 2020 subject to BART Board approval in February 2015.

A SERVICE EXTENSION TO SALINAS WITH AN INITIAL TWO ROUNDTrips IS BEING PLANNED BETWEEN TAMC AND CCJPA BUT THE PROJECT WILL LIKELY BE DEPENDENT ON EXPANDING SERVICE FREQUENCY BETWEEN OAKLAND AND SAN JOSE AND A FULL FUNDING PLAN.

As identified in the ITA, the State performs audits and reviews of CCJPA's Capitol Corridor service-related financial statements. 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 2013-14 and FY 2014-15 to support the Capitol Corridor service are solely expended to operate, administer, and market the service.

11. CONSIDERATION OF OTHER SERVICE EXPANSIONS AND ENHANCEMENTS

This section presents service expansion and enhancement opportunities beyond the CCJPA's FY 2016-17 and FY 2017-18 service plans and funding requirements. Planning for potential new services will require securing capital improvements, additional operating funds, and institutional agreements. These efforts related to the Vision Plan Update and the additional analysis that will be ongoing were previously described.

State Rail Plan and Northern California HST Blended Service

The State Rail Plan was developed at this time to become compliant with the FRA, which has actively engaged the states to grow the federal involvement and funding in passenger (intercity and high-speed) rail since the establishment of the PRIIA legislation in 2008. The FRA awarded Caltrans Rail Division funding to develop and release a coordinated State Rail Plan that will be done to conform to meeting Federal planning requirements. The plan incorporates not only the IPR services, but also the planning efforts for the California High Speed Rail system. Capitol Corridor's direct links with the High Speed Rail system will be in San Jose, and, when eventually built as planned, Sacramento, whereas the existing Capitol Corridor route as a whole is an important feeder/distributor to the High Speed Rail system. During much of FY 2013-14 and ongoing into FY 2014-15 the CCJPA participated with a host of statewide rail partners in planning for a blended and coordinated California passenger rail system. These meetings and the analysis discussed among all partners illustrated the need for state government leadership to set the structure for future blended service relationships. Not only with presenting the service to the public,

capital investment is required for all rail operators across California and the coordination of the efforts at the state level has proven a challenge due to the separated yet supportive administrative bodies charged with intercity and commuter passenger rail service. CCJPA specifically is focused on obtaining capital funding to support service expansion improvements between Sacramento and Roseville, and the Oakland to San Jose territory as it relates to being a feeder/distributor in the overall state passenger rail system.

Rail Service Expansion Planning

The CCJPA has set forth and adopted a Train Service Policy supporting future extensions to new markets beyond the Capitol Corridor. This policy encourages partnerships between several passenger rail services and local/regional transportation agencies. For example, there are ongoing discussions with the Transportation Agency of Monterey, Caltrain, and VTA about expanding Capitol Corridor service to Salinas. Pursuant to CCJPA Board direction, CCJPA staff are actively engaged in this discussion in a manner that protects the existing core service but fairly lays out the requirements of extending service to Salinas (e.g., an integrated train schedule, additional rolling stock, complete and compliant stations, operating funding support, and CCJPA governing/legislative modifications). Plans for this expansion have advanced steadily and will evolve as funding, operational, and governance matters are addressed. This potential expansion is reflected in the State Rail Plan as appropriate.

With any service expansion, 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)
- California High Speed Rail Authority

APPENDICES

APPENDIX A
Historical Service Statistics

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	32	1,599,625	-5.5%	4,383	\$23,505,602	-1.3%	\$50,159,032	16.3%	47.0%	\$25,113,642
FFY 09/10	32	1,580,619	-1.2%	4,330	\$24,372,185	3.7%	\$52,843,973	5.4%	46.0%	\$27,499,149
FFY 10/11	32	1,708,618	8.1%	4,681	\$27,176,573	11.5%	\$56,699,385	7.3%	48.0%	\$29,158,222
FFY 11/12 (i)	32/30	1,746,397	6.7%	4,785	\$29,200,000	7.4%	\$59,035,857	4.1%	50.2%	\$29,606,390
FFY 12/13	30	1,701,185	-2.6%	4,661	\$29,186,617	-0.05%	\$60,472,128	2.4%	51.0%	\$29,110,318
FFY 13/14 (j)	30	1,419,084	1.1%	3,888	\$29,177,880	-0.03%	\$58,063,314	-4.0%	50.9%	\$28,421,000
FFY 14/15	30	1,474,873	3.9%	4,041	\$30,092,694	3.1%	\$57,586,946	-0.8%	52.0%	\$32,595,784
FFY 15/16 (k)	30	765,848	6.3%	4,185	\$16,037,291	7.2%	\$23,950,405	-0.1%	59.0%	\$13,143,383

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 CalSTA.

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. 30 trains began on August 13, 2012 (service optimization with re-opening of the Sacramento Valley Station platform).

j. Starting in FY 2014 Amtrak adjusted ridership reports to account for the actual tickets lifted via the scanning of tickets by the conductors, which results in ridership forecasts and reports that are 15%-20% below previous forecasts and reports. Previously, multiride tickets were not directly logged into the system but the passenger counts for multiride tickets were estimated based on assumed inflated usage. Prior year % change is made using adjusted FY 12/13 ridership.

k. Year-to-date data for ridership and revenue through March 2016, all other categories through February 2016

APPENDIX B

PROGRAMMED OR COMPLETED CAPITOL CORRIDOR PROJECTS

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*	\$81,749,526
Davis	\$5,576,643
Fairfield/Vacaville	\$44,000,000
Suisun/Fairfield	\$3,834,049
Martinez*	\$38,145,628
Richmond*	\$22,384,408
Berkeley	\$4,745,500
Emeryville*	\$13,502,136
San Francisco – Ferry Building*	\$584,842
Oakland Jack London Square*	\$20,469,077
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	\$2,344,842
Other	\$1,440,575
SUBTOTAL – Station Projects	\$342,393,144
*shared stations with the San Joaquin route	
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	\$62,755,333
San Jose 4 th Track	\$41,850,000
Bahia-Benicia Crossover Project	\$4,190,000
Safety Fencing along ROW	\$1,600,000
Harder Road (Hayward) Undercrossing [2001]	\$8,898,000
Positive Train Control (estimated CCJPA share \$12M)	\$35,000,000
SUBTOTAL – Track and Signal Projects	\$267,449,894
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	\$9,505,000
SUBTOTAL – Maintenance and Layover Facility Projects	\$81,686,676
Rolling Stock (California Cars and Locomotives – owned by the State)	
Base Rolling Stock	\$238,982,226
2012 Ordered Rolling Stock added to Northern CA pool	\$57,435,192
On-Train Amenities	\$6,404,000
SUBTOTAL – Rolling Stock	\$302,821,418
TOTAL – PROGRAMMED¹ OR COMPLETED PROJECTS	\$994,351,132

APPENDIX C
CAPITOL CORRIDOR PERFORMANCE STANDARDS FY 2014-15 TO FY 2019-20

PERFORMANCE STANDARD	FY 2014-15				FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
	ACTUAL	STANDARD	VARIANCE ACTUAL TO STANDARD	PERCENT CHANGE	STANDARD	PRELIMINARY STANDARD	PRELIMINARY STANDARD	PRELIMINARY STANDARD	PRELIMINARY STANDARD
NUMBER OF DAILY TRAINS (SAC-OAK)	30	30			30	30	30	30	30
USAGE									
Route Ridership	1,474,873	1,408,700	66,173	4.7%	1,461,000	1,520,000	1,550,000	1,581,000	1,613,000
Passenger Miles	98,943,004	92,269,850	6,673,154	7.2%	98,255,200	101,962,000	103,974,000	106,053,000	108,200,000
Average Daily Ridership	4,041	3,859	181	4.7%	4,003	4,164	4,247	4,332	4,419
Percent Change in Route Ridership	3.9%	-5.5%			-1.9%	4.0%	2.0%	2.0%	2.0%
Percent Change in Train Passenger Miles	6.4%	-5.5%			0.7%	3.8%	2.0%	2.0%	2.0%
Percent Change in Train Miles	1.3%	-0.7%			-0.1%	0.0%	0.0%	0.0%	0.0%
Passenger Miles per Train Mile (PM/TM)	85.7	79.8	5.8	7.3%	84.5	87.7	89.4	91.2	93.0
COST EFFICIENCY									
System Operating Ratio	52%	45%	6.3%	--	48%	49%	49%	49%	49%
Total Operating Costs per Passenger Mile					\$0.64	\$0.63	\$0.63	\$0.63	\$0.64
Percent Change in Total Revenue	3.0%	-8.8%	--	--	-2.6%	3.3%	2.2%	3.0%	3.0%
Percent Change in Total Expenses	-1.1%	4.2%	--	--	5.8%	0.0%	2.3%	2.7%	2.7%
Train Revenue per Train Mile	\$24.18	\$23.17	\$1.01	4.4%	\$24.58	\$25.18	\$25.75	\$26.72	\$27.53
Train Revenue per Passenger Mile (Yield)	\$0.29	\$0.276	\$0.01	3.4%	\$0.276	\$0.282	\$0.288	\$0.293	\$0.299
Train Expenses per Train Mile	\$46.28	\$53.12	-\$6.84	-12.9%	\$53.12	\$54.71	\$56.36	\$58.05	\$59.79
Train Only State Cost per Train Mile	\$22.10	\$27.46	-\$5.36	-19.5%	\$24.86	\$25.54	\$26.12	\$26.70	\$27.48
Train Only State Cost Per Passenger Mile	\$0.26	\$0.34	-\$0.08	-24.0%	\$0.29	\$0.29	\$0.29	\$0.29	\$0.30
SERVICE QUALITY									
End-Point On Time Performance	93%	90%	3%	--	90%	90%	90%	90%	90%
Stations On Time Performance	95%	90%	6%	--	90%	90%	90%	90%	90%
Operator Delays per 10,000 Miles	481	325	156	48.0%	>325	>325	>325	>325	>325
Percent of California Car Fleet Available	84%	87%	-3%	--	87%	87%	87%	87%	87%
OPERATING RESULTS									
TRAIN AND BUS									
Total Revenue	\$ 30,092,695	\$ 28,487,000	\$1,605,695	5.6%	\$ 30,406,000	\$ 31,395,000	\$ 32,101,000	\$ 33,064,000	\$ 34,056,000
Total Expenses	\$ 58,403,946	\$ 62,956,000	(\$4,552,054)	-7.2%	\$ 63,941,000	\$ 63,942,000	\$ 65,383,000	\$ 67,181,000	\$ 69,028,000
Total CCJPA Operating Budget	\$27,494,252	\$31,706,784	(\$4,212,532)	-13.3%	\$33,093,000	\$32,547,000	\$33,282,000	\$34,117,000	\$34,972,000
TRAIN ONLY									
Train Only Revenue	\$ 28,287,133	\$ 26,777,780	1,509,353	5.6%	\$ 28,582,000	\$ 29,288,000	\$ 29,947,000	\$ 31,080,160	\$ 32,012,640
Train Only Expenses	\$ 54,147,028	\$ 58,519,000	(4,371,972)	-7.5%	\$ 57,497,000	\$ 58,988,000	\$ 60,330,000	\$ 62,128,000	\$ 63,975,000
Train Only State Operating Cost	\$ 25,859,895	\$ 31,741,220	(5,881,325)	-18.5%	\$ 28,915,000	\$ 29,700,000	\$ 30,383,000	\$ 31,047,840	\$ 31,962,360
Train Miles	1,170,000	1,155,806	14,194	1.2%	1,163,000	1,163,000	1,163,000	1,163,000	1,163,000

^ - 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 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: 30 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
RIDERSHIP RESULTS

