



# Business Plan Update

## FY 2024-25 & FY 2025-26



## DRAFT ANNUAL BUSINESS PLAN

### JANUARY 2024

#### INTERCITY PASSENGER RAIL SERVICE

Auburn | Sacramento | Davis | Suisun-Fairfield | Martinez | Oakland | San Francisco | San Jose

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## Executive Summary

**Introduction.** This Annual Business Plan (ABP) presents an overview of the Capitol Corridor Joint Powers Authority’s (CCJPA) strategic plan and funding request for the next two fiscal years (FY 2024-25 and FY 2025-26). As required by the Capitol Corridor’s Interagency Transfer Agreement with the State of California Department of Transportation (Caltrans), the ABP update outlines the service and capital improvements that have contributed to the Capitol Corridor’s success, identifies necessary improvements to sustain its growth, and incorporates customer input as detailed in Chapter 263 of California State Law.

Intercity passenger rail business plans are integral to the overall statewide planning, coordination, and budgeting of the services. The CCJPA will submit this draft ABP to the Secretary of the California State Transportation Agency (CalSTA) in April 2024, and, if necessary, a revised final version may be submitted in June 2024.

The COVID-19 pandemic caused long-term disruptions to ridership, revenue, equipment availability, and available funding. During the pandemic, CCJPA benefited from three tranches of federal COVID-relief funding provided to Amtrak for State-Supported services, which helped support Capitol Corridor operating costs during an unprecedented decline in ridership and revenue. CCJPA staff has worked to reduce Amtrak Operating costs and increase revenue since the onset of the 2020 pandemic and has outlined a series of additional steps that could be taken in the event of a financial crisis to continue running train service. The information included in this document reflects our current expectations as of the date of the current version of the ABP. CCJPA will continue to work closely with the State, Amtrak, Union Pacific, and the California intercity passenger rail Joint Powers Authority (JPA) partners to ensure we adapt to continued changes. CCJPA’s plan is to return to pre-pandemic service as financial resources and equipment availability allow, and to build upon that with future service improvements and expansion.

As the administrator of the Capitol Corridor® service, the CCJPA’s primary focus is on the continuous improvement of the train service through effective cost management, gaining share in the travel market, and delivering a customer-focused, safe, frequent, dependable, and sustainable 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; page 5):

- 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. In August 2006, the CCJPA expanded weekday service from 24 to 32 trains between Sacramento and Oakland and from eight to 14 daily trains continuing to San Jose. In August 2012, the CCJPA utilized the reconfigured Sacramento station to optimize operational cost effectiveness and reduced service to 30 daily round trips on weekdays between Sacramento and Oakland.

**Operating Plan.** Due to the COVID-19 global pandemic, CCJPA reduced service beginning in March 2020 and expects to continue to operate a temporary reduced operating plan for train and bus services through FY 2023-24. The goal is to restore train service levels to pre-pandemic levels in the first quarter of FY 2024-25, which is reflected in the budget forecasts in this ABP. The specific timing of the return to pre-pandemic service levels will depend on ridership demand, equipment availability, financial resources to support increased operating costs, and the state subsidy required to run the service. CCJPA will evaluate potential modifications in the schedule, given changing travel patterns.

The Amtrak operating costs for the Capitol Corridor conform with Section 209 of the Passenger Rail Improvement and Investment Act of 2008 (PRIIA). This policy is used to develop the budget for FY 2024-25 and any future CCJPA/Amtrak operating agreements, as summarized in the table below for the upcoming fiscal years. Improved operating efficiency is essential to allow a return to pre-pandemic levels of train service.

Capitol Corridor Route	FY 2024-25	FY 2025-26
Sacramento – Oakland	30 weekday/22 weekend trains	30 weekday/22 weekend trains
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
Amtrak Operations Budget	\$39.0 million	\$39.5 million

**Uniform Performance Standards.** For this ABP, the CCJPA incorporates the most recent version of the Uniform Performance Standards (UPS) as modified by CalSTA. The table below provides an overview of the performance of the Capitol Corridor compared to the UPS, as well as the updated forecasted UPS for the next two fiscal years:

PERFORMANCE METRIC	FY 2022-23			FY 2023-24	FY 2024-25	FY 2025-26
	Actual	Budget	Actuals vs Budget	Budget	Budget	Budget
Usage						
Route Ridership	921,105	990,850	-7%	1,268,500	1,068,303	1,113,149
Passenger Miles	68,034,466	60,925,500	12%	89,624,783	104,403,449	104,403,449
Total Operating Cost/Passenger Mile	\$0.88	\$1.03	-15%	\$0.70	\$0.63	\$0.64
Farebox Recovery	40%	40%	1%	46%	41%	41%
Service Quality	Actual	Standard	Actuals vs Standard	Standard	Standard	Standard
End-Point On-Time Performance	82%	90%	-9%	90%	90%	90%
Passenger On-Time Performance	84%	90%	-7%	90%	90%	90%
Operator Delays/10K Miles	305	>325	-7%	>325	>325	>325

**Capital Improvement Program.** The CCJPA’s Capital Improvement Program (CIP) aligns with the CCJPA’s Vision Plan, regional, and State of California transportation plans (e.g., Regional Transportation Plans [RTPs] and Caltrans’ 2018 State Rail Plan). The CIP includes projects in four broad categories: railroad infrastructure maintenance and improvements, rolling stock equipment improvements, service amenity improvements, and service plan improvements and expansions. Recent Federal legislation and implementation by the Federal Railroad Administration (FRA) support an unprecedented level of federal funding for intercity passenger rail in the coming years. FRA is implementing the Corridor Identification (ID) Program, which requires long-range Service Development Plans with detailed project plans for corridors seeking Federal funding. This developmental funding approach, combined with the leveraging of discretionary State grant programs for passenger rail, will reinvigorate Capitol Corridor’s CIP for many years to come. Long-term service plan improvement activities over the next two fiscal years will include the final engineering design of the Sacramento to Roseville Phase 2 service expansion project, the construction of the Agnew Siding project in Santa Clara, and the environmental and design phase of South Bay Connect, which is the proposed shift of service to a shorter, more direct route between Oakland and San Jose. CCJPA will also continue to work in partnership with BART on the initial planning stages for Link21, a new Transbay rail crossing that includes BART and standard gauge interregional passenger rail services.

For railroad infrastructure maintenance and improvements, CCJPA will continue collaborating with Union Pacific Railroad (UPRR) to maintain the railroad right-of-way (ROW) infrastructure in prime condition. This continued effort will reduce delays and foster excellent on-time performance [90%+] for Capitol Corridor trains, with two large-scale signal replacement projects near Davis station and at Stege, which is located near the Richmond station. In addition, design for improvements for passenger safety and accessibility at the Davis, Rocklin, Suisun, and Santa Clara Great America stations is currently underway in partnership with Amtrak, UPRR, and the respective cities and local transportation agencies.

For rolling stock improvements, CCJPA has transitioned to renewable diesel as an alternative fuel source to decrease carbon emissions associated with train operations. Additionally, CCJPA is coordinating closely with Caltrans to rehabilitate and extend the life of the existing fleet.



For service amenities, customers can expect to see continual technology updates enhancing the passenger experience. CCJPA will continue to update the onboard Wi-Fi portal with new content and improved bandwidth. Implementation of a modern Passenger Information Display System (PIDS) on the Capitol Corridor and other State-supported intercity passenger rail services is expected to continue in FY 2025 and FY 2026, with initial functionality expected on the Capitol Corridor in FY 2025. Capitol Corridor, in collaboration with the California Integrated Travel Project (Cal-ITP) and CalSTA, entered a Minimum Viable Project (MVP) phase in 2023 to introduce new ticketing options on Capitol Corridor trains to the public. This new contactless payment system, coined Tap2Ride, has demonstrated an invaluable amount of data on travel

patterns by Capitol Corridor riders, previously unavailable to CCJPA staff through the Amtrak ticketing system. Over 200 pilot participants registered in the first phase of the Tap2Ride pilot, and CCJPA staff is looking to expand the pilot by spring 2024. During the initial MVP, a contactless payment device was installed on each cab car. Before the second phase commences, reader devices will be installed on all railcars used on the Capitol Corridor route. Tap2Ride will require internal Capitol Corridor management and oversight changes, and as experienced by the public, there will be a notable change in ticket sales. CCJPA navigated a tremendous learning curve during the MVP phases and is incorporating additional tested improvements through subsequent programmatic advancements of contactless payment, while being mindful of how we will communicate with the public throughout the evolution of the program.

**Marketing, Communications, and Customer Experience Strategies.** The CCJPA's marketing, communications, and customer experience strategies for FY 2024-25 and FY 2025-26 will focus on developing and implementing a comprehensive marketing and communications plan to attract and grow ridership to pre-pandemic levels, where market research and travel trends indicate an opportunity for regrowth to those levels. Over the next two fiscal years, CCJPA will renew partnerships with destinations, create programs to enhance the overall customer experience, including the support of Cal-ITP, and seek out opportunities to grow ridership via micro-markets. Seasonal offers will seek to attract new riders and position Capitol Corridor as a distinct regional service brand. CCJPA will continue to coordinate with local partners on promotions, outreach, and shared marketing efforts. Ridership has been slowest to bounce back on Capitol Corridor as compared to all the other state-supported routes nationwide. Winning back riders will require an aggressive approach to marketing that demands an increase in funds to support the planned efforts beyond the flat budget allocation provided for Marketing activities for the past twenty-plus years.

The CCJPA is committed to managing the service to meet or exceed near-term budget projections. Promotional programs and campaigns will showcase the Capitol Corridor as the preferred transport alternative in the Northern California Megaregion. During FY 2024-25, CCJPA will undergo an extensive fare study across all fare types. This fare evaluation will result in varying fare increases among single and multi-ticket fares before the end of 2024. CCJPA will conduct planning analysis and cultivate partnerships and funding opportunities necessary to make incremental, as well as longer-term transformational changes to the Capitol Corridor route.

## 1. Introduction

The ABP will be submitted in draft form in April 2024 and final form in June 2024 to the Secretary of CalSTA, allowing adequate time for Amtrak to develop its final operating cost estimates for the Capitol Corridor® intercity passenger rail service. As part of Chapter 263 of State Law, which allowed for the transfer of the Capitol Corridor service to the CCJPA on July 1, 1998, the CCJPA is required to prepare an ABP that identifies the current fiscal year’s operating and marketing strategies, summarizes capital improvement plans for the Capitol Corridor, and includes 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.

The COVID-19 global pandemic brought a level of uncertainty to the CCJPA ABP in recent years. CCJPA benefited from three tranches of federal COVID-relief funding provided to Amtrak for the State-Supported services supporting the Capitol Corridor operating costs during an unprecedented decline in ridership. Cost control innovation and documentation of particular cost drivers as apportioned to Capitol Corridor service from Amtrak has also exacerbated the unpredictability of holding expenses in line with available state resources. Improved operating efficiency is essential for a return to full service. For the purposes of this ABP, the assumption is a return to pre-pandemic levels of train service in the first quarter of FY2024-25. The specific date of return will depend on equipment availability, ridership demand, and adequate funding.

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

**THE CAPITOL CORRIDOR PROVIDES A SUSTAINABLE TRANSPORTATION SERVICE CONNECTING THE THREE ECONOMIC EMPLOYMENT CENTERS IN NORTHERN CALIFORNIA: SACRAMENTO, SAN FRANCISCO/OAKLAND, AND SAN JOSE/SILICON VALLEY.**

- 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 Capitol Corridor serves 18 train stations along the 170-mile rail corridor connecting the counties of Placer, Sacramento, Yolo, Solano, Contra Costa, Alameda, San Francisco (via motorcoach), and Santa Clara. 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 through a dedicated motorcoach bus network and partnerships with local transit agencies that assist passengers traveling to destinations beyond the immediate vicinity of the CCJPA train stations.

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

## 2. Historical Performance of the Service

On December 12, 1991, 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, which was extended in 2001. In September 2003, legislation was enacted that eliminated the sunset date in the ITA and established the current, permanent governance structure for the CCJPA. The CCJPA now operates and manages the Capitol Corridor service through an operating agreement with Amtrak.

Under the management of the CCJPA, the collection and use of train operations and revenue data have been consistent tools to expand and fine-tune service plans, optimize ridership, increase revenue, achieve cost efficiency, and improve safety. Appendix A presents an overview of the financial performance and ridership growth of the Capitol Corridor service since its inception in December 1991.

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



### 3. Operating Plan and Strategies

CCJPA aims to meet the travel and transportation needs of Northern Californians by providing safe, frequent, reliable, and sustainable Capitol Corridor intercity train service. CCJPA is increasing the use of detailed daily operating information (e.g., ridership, delays, safety incidents, and customer comments) to drive efficiencies and identify capital improvement needs to enhance the reliability of service.

#### Train Service and Expansions

Capitol Corridor provided service with 30 weekday (22 weekend) trains between Sacramento and Oakland and 14 daily trains between Oakland and San Jose beginning in August 2012, continuing that service through the start of the pandemic in March 2020. Immediately following the shelter-in-place orders in March 2020, CCJPA reduced train service to five round trips per day. In June 2020, the service frequency was increased to eight round trips on weekdays and five on weekends. In June 2021, service frequency was increased to 11 round trips on weekdays and nine round trips on weekends. In October 2022, service was fully restored to pre-pandemic service levels on weekends at 11 round trips and to 12 round trips on weekdays. CCJPA’s goal is to return to pre-pandemic train service levels during the first quarter of FY 2024-25.

**CCJPA WILL CONTINUE TO PURSUE SPECIFIC STRATEGIES TO ADDRESS SEATING CAPACITY CONCERNS ON SELECT PEAK TRAINS, SUCH AS ADDING ADDITIONAL TRAIN CARS AS AVAILABLE.**

Prior to the pandemic, through February 2020, Capitol Corridor train service experienced ridership growth for 31 consecutive months. Since the precipitous drop in ridership demand in March 2020, Capitol Corridor service has continued to see a consistent and steady growth in ridership, with an increase of 36% from FY22 to FY23. CCJPA will focus on comprehensive strategies to restore service and ridership towards pre-pandemic levels in FY 2024-25 and FY 2025-26.

For FY 2024-25, CCJPA will continue the operation of the pulse schedule, a regularized hourly arrival and departure pattern (i.e., 5:01, 6:01, 7:01, etc.), introduced in March of 2021 to the extent possible. This was a major change in CCJPA’s schedule to improve the ease of use for customers and is in alignment with the California Rail State plan. Additionally, this schedule connects Auburn to San Jose with a direct train each way seven days a week. CCJPA will be evaluating the existing schedule with ridership input with the expectation of some schedule modifications in FY 2025 to respond to changing travel patterns while seeking to maintain the pulse schedule concept.

The CCJPA continues to plan for service expansions to/from Roseville and longer-term service expansions to/from San Jose. These service expansion/extension projects will also require additional rolling stock.

#### Motorcoach Service and Transit Connections

The Capitol Corridor provides dedicated motorcoach bus connections to San Francisco, communities along the Central Coast region south of San Jose (Salinas and San Luis Obispo), and communities east of Sacramento. In addition, CCJPA partners with local transit agencies to offer expanded options for transit connections throughout the corridor. The CCJPA reimburses transit agencies through its Transit Transfer Program, allowing Capitol Corridor passengers to transfer free of charge to participating local transit services. CCJPA partners with Santa Cruz Metro, El Dorado Transit Authority, and Monterey-Salinas Transit to share operating costs for open door services available to those connecting to rail service and local passengers. Figure 3-1 illustrates the range of passenger rail, Amtrak Thruway bus, and other local transit connections available from Capitol Corridor stations.





Pursuant to Senate Bill (SB) 742, enacted in 2020, which enables State-supported intercity passenger rail services (Capitol Corridor, San Joaquins, and Pacific Surfliner) to provide bus service to passengers without a train ticket as part of a trip. CCJPA formed a partnership with El Dorado County Transit Authority (EDCTA) in July 2021 to jointly fund connecting bus service from the Sacramento station to South Lake Tahoe. Similar open-door service is provided through a Monterey-Salinas Transit partnership. CCJPA is actively engaging in conversations with AC Transit to provide connections for the service between Emeryville and San Francisco to replace high-cost contracted service that is currently only available to Capitol Corridor customers. CCJPA will explore other opportunities for similar partnerships with other transit agencies with the goal to expand available transit connections in a cost-effective manner.

**FY 2023-24 Operating Plan**

As of October 1, 2023, the Operating Plan is as follows:

- Sacramento – Oakland: 24 weekday (22 weekend) trains
- Oakland – San Jose: 12 weekday (14 weekend) trains
- Sacramento – Roseville – Auburn: 2 daily trains (one round-trip)

**FY 2024-25 and FY 2025-26 Operating Plans and Strategies**

CCJPA is currently planning to return to full service during the first quarter of FY 2024-25, subject to ridership and revenue, equipment availability, and budget resources.

Capitol Corridor Route	FY 2024-25	FY 2025-26
Sacramento – Oakland	30 weekday/22 weekend trains	30 weekday/22 weekend trains
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
Amtrak Operations Budget	\$39.0 million	\$39.5 million

**CCJPA WILL PARTNER WITH AMTRAK TO INCREASE THE PRESENCE OF SECURITY AND THE FREQUENCY OF DEEP CLEANING AT SELECT EAST BAY STATIONS.**

*Safety and Security*

CCJPA-California Operation Lifesaver (CAOL) Annual Safety Project is a partnership between CCJPA and COAL to collaborate in identifying key focus locations, communities, and campaign project options where CAOL educational programs and campaigns will provide rail safety awareness along the Capitol Corridor route. This project is expected to continue in perpetuity based on available funding.

**Figure 3-1: Connecting Bus, Transit, and Train Services**



**Service Reliability**

The CCJPA consistently takes action to address issues with service reliability and On-Time Performance (OTP). Two actions that were initiated in FY 2018-19 and that will continue are:

- In FY 2018-2019, two Amtrak transportation supervisors were added in the Oakland to San Jose section of the route to address unauthorized trespassing and service incidents.
- The ROW Safety and Security Improvement Program is a partnership between CCJPA and UPRR initiated in 2017, to identify and mitigate safety and security concerns along the UPRR ROW. The program addresses vegetation overgrowth, installs security barriers and fences, and removes homeless encampments along the ROW. These actions help decrease trespasser incidents and fatalities, as well as delays caused by debris on the tracks. The project is expected to continue in perpetuity based on available funding.

During FY 2021-22, CCJPA Board approved funding for two UPRR special agent positions dedicated to the CCJPA ROW. The Capitol Corridor-UPRR Special Agent support will improve safety and security and will improve on-time performance of trains by providing police support for railroad crossing enforcement and education, pedestrian and vehicle trespassing, illegal dumping, and vandalism on the UPRR-owned railroad rights of ways. The project is expected to continue in perpetuity based on available funding.

#### *Service Operations Efficiencies*

In 2023, CCJPA introduced a new database tool, Train Manager, to track the daily rail equipment line-up for the Northern California intercity passenger rail fleet (Capitol Corridor and San Joaquins trains). This new tool is a significant improvement over the previous tracking method used by Amtrak. It will enable synchronization of multiple sources of operational data related to equipment maintenance, Cal ITP, onboard Wi-Fi, and PIDS, thus allowing CCJPA to provide better data-driven management and oversight and system monitoring of the Capitol Corridor service.

## 4. Capital Improvement Program

The CCJPA maintains a CIP intended to incrementally improve the Capitol Corridor’s reliability, travel times, OTP, safety and security, and to expand service frequency. These initiatives are supported by capital funding sources at the local, regional, state, and federal levels. The CIP is anticipated to benefit from substantial increases in available federal funding and continued state support for intercity passenger rail.

### **Capital Improvement Program Funding**

Since the inception of the Capitol Corridor service in 1991, more than \$1 billion has been invested or programmed to purchase rolling stock, build or renovate stations, upgrade track and signal systems for increased capacity, construct train maintenance, layover and storage facilities from a mixture of funding sources. Most of the funding has come from the State. In 2023, CCJPA was awarded \$42.51 million in Consolidated Rail Infrastructure and Safety Improvements (CRISI) Program funding (for Phase 1 of the Sacramento to Roseville 3<sup>rd</sup> Track Project), the first Federal investment in the corridor since 2009. See Appendix B for a list of current CCJPA capital projects, project status, and related funding.



The adopted 2018 State Rail Plan update lays out a transformative long-term vision of the statewide railroad network, with an update expected in 2024. The Plan envisions capital investments supporting a multi-tiered freight and passenger rail operating environment that better serves travel markets with improved cost efficiency. The CCJPA’s Northern California Megaregional Rail planning efforts, which evolved from the Vision Plan process, are bolstered by the State

Rail Plan, and potentially accelerated by the unprecedented level of federal and state funding programs for intercity passenger rail. The passage of the November 2021 federal infrastructure bill, coupled with the existing state Senate Bill 1 (SB1) funding programs, is the reason why the years ahead for rail improvements are so promising.

From a planning perspective, state and federal grant programs are aligning around the concept of corridor planning to better define long-term investment strategies. The corridor approach is now officially included in the Federal Railroad Administration (FRA) Corridor ID Program (Corridor ID), which establishes a structured long-term planning process to guide investments at all levels of government (federal and state) over the next fifteen to twenty years. CCJPA will work with Caltrans and the other State JPA's to incrementally deliver on the three-step Corridor ID program with tasks: (1) scope the Service Identification Plan, (2) deliver the Service Identification Plan, and (3) complete incrementally planned project delivery via the Service Identification Plan. CCJPA anticipates that the resources and attention demanded by the Corridor ID program will be a major focus of CCJPA's planning activities in FY 2024 and onward as we move through the FRA's identified Corridor ID tasks.

### **Programmed and Current Capital Improvements**

Improvements made in this fiscal year, as well as capital projects planned for FY 2024-25 and FY 2025-26, can be categorized into four broad categories: railroad infrastructure maintenance and improvements, rolling stock equipment improvements, service amenity improvements, and service plan improvements and expansions.

### **Specific Capital Improvement Program Discussion**

#### ***Railroad Infrastructure Maintenance and Improvements***

##### *Davis Station Improvements Design*

The CCJPA has entered a partnership with Amtrak, UPRR, and the City of Davis to begin a major program of improvements at the Davis station. This project will improve passenger safety and accessibility at this station while reducing train delays, improving railroad fluidity, and providing new pedestrian connectivity. The first phase of this work involved the replacement of track crossovers and the railroad signal system near the station. CCJPA and partners participating in the design of the remaining improvements



including the complete reconstruction of the Davis Station with a center island platform and direct pedestrian access to the neighborhoods across the railroad tracks from the station.

##### *Other Station Improvements*

The CCJPA is cooperating with Amtrak's ADA Stations program to make safety and accessibility improvements to many stations served by the Capitol Corridor. The work at each station varies from platform repair and replacement (e.g., Rocklin, Santa Clara Great America) to complete reconstruction of the platform and routes of access (e.g., Suisun). The CCJPA is working to ensure these improvements will not only provide the required accessibility but also enhance passenger safety. This work will be ongoing until completed.

##### *Agnew Siding Improvement Design*

Final design for Agnew Siding, a new passing siding in the Santa Clara-Great America station vicinity, is nearly complete. To date, funding is available to cover all design and pre-construction activities. The new passing siding in the Santa Clara-Great America station vicinity will offer two benefits: 1) Provide a storage track to hold Capitol Corridor special extra trains to serve events at Levi's Stadium; and 2) Reduce delays to Capitol Corridor and ACE trains due to unscheduled meets in the current single-track territory. CCJPA has been working with the respective utility owners to ensure their facilities that cross under the railroad are protected or relocated in the area where the new track will be constructed. This utility relocation work is a prerequisite to the construction of the project. Presently, the CCJPA is working to secure the remaining funds to implement the project as soon as the design phase is complete.

*Signal Replacement/Upgrade*

The CCJPA has continued to work in partnership with UPRR to improve the railroad signal system. UPRR and CCJPA are replacing the system near Davis Station. CCJPA is also providing funding to replace the track crossovers at this location so that the speeds for trains changing from one track to another can be increased. Consistent joint investments of CCJPA and UPRR have resulted in a reduction in signal-related train delays.

*Grade Crossing Safety Upgrade*

The CCJPA is actively seeking safety improvements for the many highway and railway grade crossings along our route. While CCJPA does not have direct authority to make improvements to railroad crossings, substantial increases in federal funding for crossing improvements will provide opportunities to address needed safety upgrades. CCJPA intends to work closely with UPRR, the California Public Utilities Commission, and local communities to identify areas of concern and support efforts to implement improvements. One such program, launched in 2023, is an initial phase to work with local jurisdictions to seek at-grade crossing improvements. This program uses CCJPA funds to develop a corridor-wide capital plan for at-grade crossing improvements, which can be the basis for future design and, subsequently, construction grant funding programs that are established and expanded at both the state and federal levels. Other, more significant grade-separation projects will be coordinated with various road authorities and the UPRR, aiming to reduce incidents and maintain the safety and on-time performance of Capitol Corridor trains. When appropriate, the CCJPA will actively seek to promote, fund, and deliver on the separation (bridge) or closure of crossings.

*Bridge and Structure Improvement/Upgrades*

The CCJPA has begun a program of improvements to bridges and related structures along the Capitol Corridor route. Supported by State Rail Assistance funds, this program will focus on safety improvements and asset life extension. This program will supplement the work already performed by UPRR and will aim to improve the safety and on-time performance of Capitol Corridor trains.

*Capitalized Maintenance*

The Capitol Corridor Capitalized Maintenance program, funded by the ABP allocation, focuses on upgrades and improvements to the railroad infrastructure to achieve and maintain a high level of on-time performance. In the past fiscal year, funding was used for improvements to the railroad track to improve passenger ride comfort and on-time reliability. The program also helps to fund railroad signal system reliability improvements.

***Rolling Stock Equipment Improvements***

*Wi-Fi Upgrade*

In December 2020, the CCJPA completed significant Wi-Fi system upgrades to the entire Northern California bi-level fleet, which serves both the Capitol Corridor and San Joaquin intercity routes. CCJPA performs this work as a ‘center of excellence’ on behalf of the State’s northern intercity passenger rail systems. The Wi-Fi system is continually being upgraded to become the basis for other technologies using the digital communication backbone, including contactless EMV readers used consistent with Cal-ITP. Physical upgrades of the access points (to add Bluetooth and Wi-Fi 6 compatibility) and modems (to accept 5G cellular signals) are planned for the year ahead.

*Additional New Rolling Stock*

Caltrans has procured new single-level passenger rail cars (Siemens ‘Venture Cars’, described above in Wi-Fi), and these cars will be delivered for use on the San Joaquins service in the calendar year 2023. After various build and delivery acceptance issues, we anticipate that the final delivery will result in a shift of some current bi-level vehicles to CCJPA. In advance of ordering new rail vehicles for the NorCal IPR fleet, Caltrans is spearheading a fleet management plan that is supported by the CCJPA, San Joaquin Joint Powers Authority (SJJPA), and the Los Angeles -San Diego -San Luis Obispo Rail Corridor Agency (LOSSAN).

### ***Service Amenity Improvements***

#### ***Bicycle and Scooter Access***

In prior years, CCJPA implemented several projects to support bicycle and scooter access to the service, including the installation of onboard bicycle racks and electronic bicycle lockers at most of our stations. As ridership gradually rebounds post-COVID, onboard bicycle/scooter storage capacity is sometimes exceeded on particularly busy trains. The steadily increasing use of e-bike and e-scooters among Capitol Corridor riders is changing the nature of the onboard storage solutions that CCJPA identified even just a few years ago, making applying a capacity-increasing design solution an evolving dynamic. CCJPA will continue to work with Amtrak to identify onboard bicycle and scooter storage issues and brainstorm potential solutions, both in terms of rider policy and physical storage.

#### ***California Passenger Information Display System (PIDS) Modernization***

PIDS provides passengers with train arrival information at Capitol Corridor stations and the current system is undergoing a significant hardware and software upgrade. CCJPA is partnering with SJJPA, the San Joaquin Regional Rail Commission (management agency of the Altamont Corridor Express, or ACE), and the North County Transit District (NCTD) to modernize PIDS across State-supported intercity passenger rail services, with implementation ongoing through FY 2025 and FY 2026. This project also involves bringing improved telecommunications services to stations on the Capitol Corridor, San Joaquins, and ACE. An early deliverable of this project is the publication of GTFS Realtime feeds for Capitol Corridor and ACE, which allows third-party travel planning apps such as Google Maps and Transit App to consume industry-standard transit schedule and real-time train status data.

#### ***California Integrated Travel Program (Cal-ITP)***

CCJPA is managing a CalSTA and Caltrans led, multi-agency initiative to research, develop and implement Cal-ITP that will enable California residents and visitors to plan, pay, and demonstrate discount eligibility for travel across multiple modes of transportation, including bus, metro, light rail and intercity rail, paratransit, bike hire, and ride-hailing services in California. With the help of dedicated Caltrans staff leading integration, CCJPA is fiscally and programmatically supporting these critical objectives. In 2023, efforts were focused on further developing program capacity and building upon the scale of data systems, hardware, and software needed to support early program pilots, called Minimum Viable Products (MVPs). Building on lessons learned from several MVPs across various modes, it appears that 2024 will see significant expansion into various transit systems statewide. From March 2023 onward, CCJPA has been in the first phase of an MVP, and we are still learning valuable ‘project pilot’ lessons for contactless payment in a passenger rail operating environment. While CCJPA will continue to work with the State to support this effort, we are also working with CalSTA and Caltrans’ Division of Rail and Mass Transportation (DRMT) to explore governance options so that the fiscal oversight of Cal-ITP can eventually transition from CCJPA to one or more state agencies.

### ***Service Plan Improvements and Expansions***

#### ***Sacramento to Roseville Third Track Service Expansion Project***

The Sacramento to Roseville Third Track Phase I Project is currently in the 90% design phase with UPRR (by UPRR standards) and is working towards design completion in 2025. Various properties required for the project are in the ROW acquisition process and utility owners situated in the UPRR ROW is now providing useful design input for the relocation of those services (fuel pipeline and fiber optics). In 2023, this project received a series of discretionary State and Federal grant awards, which, based on initial cost estimates covered the entire cost of Phase 1 completion, allowing for two additional round trips. Phase two of this project will add an additional seven round trips, but no funding for those phases has commenced, with all efforts focused on assembling funding and completing the design and ROW acquisition for the phase one effort.



*South Bay Connect*

The South Bay Connect project comprises two main elements that have independent utility: 1) the rerouting of Capitol Corridor train service from its existing UPRR Niles Subdivision to the UPRR Coast Subdivision between Oakland and Newark (called the South Bay Connect project) and 2) a new intermodal station at Ardenwood Park & Ride (on the border between the cities of Fremont and Newark) that connects north-south rail service and existing east-west transit and shuttle service across the SR84 Dumbarton transportation corridor, enhancing transit connections between Alameda County and the Peninsula (termed the SR84 Intermodal Facility project). The proposed service reroute reduces travel time by up to 13 minutes between Oakland and San Jose, and the SR84 Intermodal Facility would allow Capitol Corridor passengers to reach destinations more easily on the SF Peninsula. Resulting increases in ridership from travel time reduction and new intermodal station connections would reduce vehicle miles traveled on the congested corridors of I-880 and SR84, resulting in lower overall transportation GHG emissions and harmful air pollutants. This project is being developed in coordination with a broad range of stakeholders, including Alameda CTC, AC Transit, and other public and private entities. After delays waiting on UPRR for capacity modeling results, the CCJPA determined the most pragmatic approach is to presume a maximum footprint for track infrastructure needed to meet funding deadlines associated with the draft Environmental Impact Report (EIR) – now expected to be released by November 2024 with the final EIR by mid- 2025. The SR84 Intermodal Facility project is also advancing with Caltrans District 4 through their project development process. For both project elements, the CCJPA will continue to seek additional funding required to complete construction.

*Link21 (New Transbay Rail Crossing)*

CCJPA is partnering with BART on the extensive planning efforts needed to deliver a Northern California Megaregional Project –a new transbay rail crossing between San Francisco and Oakland with implications that extend far beyond the connection across the San Francisco Bay. The team is considering improvements to BART and/or standard gauge passenger rail that will facilitate travel through the Transbay Corridor. Undertaking such a project involves developing project concepts and understanding the potential market from 21 Northern California counties. Section 9 of this ABP continues to include resources to support full-time staff positions and supporting resources over the next five years to advance the planning, conceptual engineering, environmental studies, and outreach efforts for interregional passenger rail services serving the greater NorCal Megaregion as part of Link21.

*Carquinez High-Level Crossing Study*

CCJPA is in the second phase of a two-phase engineering analysis of options for replacing the existing Benicia-Martinez rail lift bridge, which is a significant cause of many Capitol Corridor service delays that will hinder any expansion of Capitol Corridor service in the future unless a new non-lift crossing is developed. Phase one examined a wide plethora of crossing options (including tunnel options) and, using various cost and viability criteria, settled on four (high-level bridge) options to be advanced to the phase two study phase. CCJPA expects to complete the phase two engineering study by August 2024, which will further narrow down viable high-level crossing options that can then proceed into the standard project development framework, and also consider engineering feasibility with proximally affected State Rail Plan objectives such as service to and/or from Vallejo and Novato.

**5. Performance Standards and Action Plan**

CCJPA maintains a customer-focused business model that emphasizes delivering reliable, frequent, safe, and cost-effective train service designed to sustain growth in ridership and revenue. Over the past 20 years, ridership has trended upward as the service provides 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 cost.

The CCJPA develops performance standards for the Capitol Corridor service to be aligned with the Uniform Performance Standards (UPS) developed by CalSTA. CCJPA has long used data analysis to drive cost-effective service improvements and expects to increase the role of data in future fiscal years. Table 5-1 summarizes the UPS and CCJPA results for FY 2022-23, as well as the standards for the next three fiscal years.

**FY 2022-23 Performance Standards and Results**

- Ridership: 705.4 thousand, an increase of 99 percent as compared to FY2021-22.
- Revenue: \$17.8 million, an increase of 101 percent from FY 2021-22.
- End Point On-Time Performance (OTP): 83 percent, a decrease of nine percent as compared to FY 2021-22.
- Passenger OTP: 84 percent, an eight percent decrease as compared to FY2021-22.

**FY 2023-24 Performance Standards and Results through November 2024**

- Ridership: Year-to-date ridership is 18 percent above FY 2022-23 and 16 percent below ABP projections.
- Revenue: Year-to-date revenue is 25 percent above the prior fiscal year and seven percent above the ABP budget.
- End Point OTP: Year-to-date is 86 percent, 11 percent higher than FY 2022-23 and four percent below the 90 percent standard.
- Passenger OTP: Year-to-date is 86 percent, seven percent above FY 2022-23 and four percent below the 90 percent standard.

**FY 2024-25 and FY 2025-26 Performance Standards**

Table 5-1 provides the preliminary performance standards for FY 2024-25 and FY 2025-26. The future operating costs for FY 2024-25 and FY 2025-26 have been developed to conform with the PRIIA Section 209 pricing policy, which stipulates that all state-financed, Amtrak-operated intercity passenger rail routes under 750 miles shall be priced by Amtrak in a fair and equitable manner.

**Table 5-1: System Performance Standards and Results**

PERFORMANCE METRIC	FY 2022-23			FY 2023-24	FY 2024-25	FY 2025-26
	Actual	Budget	Actuals vs Budget	Budget	Budget	Budget
Usage						
Route Ridership	921,105	990,850	-7%	1,268,500	1,068,303	1,113,149
Passenger Miles	68,034,466	60,925,500	12%	89,624,783	104,403,449	104,403,449
Total Operating Cost/Passenger Mile	\$0.88	\$1.03	-15%	\$0.70	\$0.63	\$0.64
Farebox Recovery	40%	40%	1%	46%	41%	41%
Service Quality	Actual	Standard	Actuals vs Standard	Standard	Standard	Standard
End-Point On-Time Performance	82%	90%	-9%	90%	90%	90%
Passenger On-Time Performance	84%	90%	-7%	90%	90%	90%
Operator Delays/10K Miles	305	>325	-7%	>325	>325	>325

**FY 2024-25 and FY 2025-26 Action Plan**

Table 5-2 summarizes projects, ongoing and planned, through FY 2023-24 and FY 2024-25. Each project shown in Table 5-2 is dynamic and may change based on circumstances beyond CCJPA’s control.



**Table 5-2: FY 2023-24 and FY 2024-25 Action Plan**

PROJECT	Past Fiscal Years	FY 2024-25				FY 2025-26				Future Fiscal Years
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
<b>CAPITAL PROJECTS</b>										
South Bay Connect										
Sacramento to Roseville Third Main Track Phase I										
California Integrated Travel Program (Cal ITP)										
Davis Station Signal Improvements										
Agnew Siding										
Stege Signal Improvements										
California Passenger Information Display System (CalPIDS) Modernization										
Contactless Fare Payment Hardware										
<b>ONGOING PROJECTS</b>										
Right of Way Safety and Security										
Capitalized Maintenance										
Network Integration/Link21										

## 6. Establishment of Fares

The CCJPA develops fares in conjunction with Amtrak to ensure the Capitol Corridor service is attractive and competitive with other transportation options. Fares provide a critical funding source for CCJPA operations. The pandemic resulted in a significant reduction in fare revenue that was offset by federal funding support. Although CCJPA made a concerted effort to keep fares stable during the pandemic, increasing budget challenges will likely require an increase in fares during FY 2025-26 due to the increasing cost of service delivery. The final recommendation for fare adjustments will be determined through an ongoing analysis with changes expected in mid-2024. At a minimum, multi-ride fares are expected to increase by an amount equal to inflation in FY 2024-25 and FY 2025-26. In the event of insufficient state operating funds, more significant increases may be necessary. CCJPA will, whenever possible, implement these fare increases incrementally to minimize the immediate impact on our customers. In addition, CCJPA may introduce additional fare products as part of Tap2Ride or through the Amtrak ticketing system to adapt to changing travel patterns in Northern California. While the expectation is that some fare adjustment will be necessary, CCJPA’s goal is to work closely with Amtrak to promote the efficient delivery of service and minimize the need for fare increases.



Current ticket types include standard one-way and roundtrip fares, monthly passes, ten-ride tickets valid for 90 days, and six-ride/1-year tickets for college and university students. Ten-ride tickets are discounted by roughly 30-35 percent as compared to one-way fares, and monthly tickets are discounted by roughly 50 percent from one-way fares, assuming use of 40 times per month. In recognition of

changing ridership patterns, ten-ride tickets were extended to be valid for 90 days in 2022. These discounted multi-ride fares are ideal for repeat riders who use Capitol Corridor trains as their primary means of travel along the corridor. To retain flexibility and convenience for our riders, reservations are not required for any of the trains.

CCJPA also offers targeted discount programs for leisure travelers, including the year-round “Friends and Family” offer, providing savings for buy-one/bring up to five others at 50 percent off. The Capitol Corridor also utilizes a variety of seasonal discounts aimed at specific target groups such as seniors, to promote off-peak and weekend ridership. In addition, Capitol Corridor offers a variety of California Everyday Discounts for seniors, children, military personnel, disabled individuals, and members of select organizations, in conjunction with the San Joaquins and Pacific Surfliner.

Through Cal-ITP, CCJPA is positioned to re-cast the fare and ticketing system to simplify connections to other transportation services, reduce the costs of fare collection, allow for easier execution of potential fare offers, and simplify travel for our customers. The process for this change will emerge over the period of this Business Plan and will require the development of internal capacity for CCJPA to manage revenue and customer service, much of which is handled by Amtrak at present. CCJPA will work closely with CalSTA and Caltrans DRMT leadership to ensure that the proper staffing resources are in place to transition and grow into a new fare and ticketing system that aligns with the objectives described.

### **FY 2024-2025 Fares**

Maintaining the fiscal viability of CCJPA service will likely require some increase in fares during FY 2024-25. CCJPA has made few changes in fares since 2019, effectively reducing the cost of service by nearly 20% considering inflationary levels during the period. Increasing budget challenges necessitates a review of fares to address the increasing cost of service delivery. Changes will be based on an ongoing fare study that will also consider the long-term expansion of the Tap2Ride program. At a minimum, increases will equal inflationary levels during the most recent year.

To provide riders with more flexibility for their multi-ride tickets, in 2020, CCJPA extended the 10-ride/45-day ticket to 60 days, and in 2022, extended it to 90 days, to encourage greater flexibility. However, analysis of the 10-ride product clearly shows a cohort of more frequent 10-ride utilization and very infrequent utilization, both suggesting that differentiation of the 10-ride product by two time periods and pricing levels may be warranted. We will explore additional ways to offer ticket flexibility for riders as we learn more about emerging ridership patterns and prepare for a new ticketing platform.

CCJPA has made a concerted effort to keep fares stable during the pandemic making very minor fare adjustments over the last four years. As part of its Marketing Program (Section 8), CCJPA will develop initiatives designed to regain ridership and build customer satisfaction. Opportunities related to fares and ticketing include:

- Use findings from the fare analysis to develop new fare products or adjust existing products to better meet the needs of riders.
- Raise awareness of the flexibility and benefits of Capitol Corridor’s unreserved ticketing.
- Continue to promote the Tap2Ride contactless fare pilot program.
- Leverage the CC Rewards loyalty program to deepen relationships with members of the community through promotional offers and giveaways.

- Continue to promote California’s “Everyday Discounts” and other ongoing discounts such as “Friends & Family”.
- Increase utilization of Amtrak’s mobile ticketing features in the short-term, as they enable real-time validation and improve customer convenience.

Together, these fare and ticketing programs for FY 2024-2025 will enhance customer convenience as we prepare for the growth of the Cal-ITP program.

### **FY 2025-2026 Fares**

The expectation is that Tap2Ride will allow for a nimble and customer-friendly fare system with a wider range of products by FY2025-26. Fare changes will be considered in the context of budget conditions at the time and are likely to, at a minimum, increase at an inflationary level. Other fare and ticketing opportunities include:

- Continue to expand and raise visibility of transit connectivity programs such as the Transit Transfer Program, joint ticketing, and the transfer of motorcoach bus routes to parallel local transit services.
- Enhance customer loyalty and referral programs to retain existing riders and attract new riders.
- Integration and implementation of the new ticketing platform will likely offer new fare products and expand choices for riders.

## **7. Service Amenities, Food Services, & Equipment**

### **Service Amenities**

#### *Accessibility*

The Capitol Corridor provides 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 use on-train step stools, or even utilize the wheelchair lifts, if needed, to board from the platform. Passengers who require assistance may contact the conductors for help in boarding or detrainning.

#### *Passenger Information*

Onboard train journey information is provided via the Wi-Fi landing page/portal associated with the 2020 upgraded Wi-Fi system. Refinements in this information regarding passenger journeys will evolve over time but remain as a consistent on-train amenity.

At the stations, electronic passenger information displays provide train arrival times, delay information, and other notifications. These displays are part of the California PIDS. CCJPA is leading an effort to initially modernize the back-office PIDS system to improve system reliability and functionality and, in the future, upgrade station signs and audio equipment. Description of the PIDS modernization project can be found in Section 4, Capital Improvement Program.

#### *Lavatories*

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

#### *Wi-Fi*

All cars in the fleet have complimentary Wi-Fi service. CCJPA delivered a next-generation Wi-Fi solution in 2020, a significant upgrade from the original system. It is now managed under a long-term services-based contract, which allows to keep pace with technological improvements for hardware elements that reach end-of-life on a relatively rapid basis. This approach ensures a cost-effective balance to the system, keeping it modernized where needed while retaining the value of the original labor for much of the hardware installation and particular items, such as cables and antennas, which have a much longer technology lifespan. At this time, the Wi-Fi system is being further leveraged for its IP-based communications for the Tap2Ride contactless payment readers. See details on the next-generation Wi-Fi in Chapter 9, CA IPR Supplemental Allocation for Onboard Technology (page 19).

*Bicycle/Scooter Access*

Providing on-train and secure station bicycle and scooter storage remain important aspects of Capitol Corridor bicycle access, as we see train ridership gradually returning. CCJPA will monitor on-train bicycle/scooter storage capacity needs as ridership recovers and maintain adequate racks to meet demand, which, for some busy trains, are already being challenged with an increasingly diverse ecosystem of non-powered and powered mobility devices of all types, making safe storage and transport a growing challenge for CCJPA, Amtrak, and customers. CCJPA will also continue to operate and maintain all existing BikeLink eLockers at stations and work with the eLocker vendor to raise awareness of secure station bike parking to mitigate on-train crowding. For physical bicycle access to and from stations, CCJPA is pursuing opportunities to improve station access as they arise with local municipalities.

*Food and Beverage Services*

CCJPA will continue to evolve and expand the menu based on the performance of the Café Car. Menus onboard the train have been redesigned as sustainable, with a QR code linking to <https://www.capitolcorridor.org/cafe-car/>, allowing for changes to be made incrementally and in response to market demand, without having to reprint menus. To promote the Café Car, seatback tray decals offer QR code links to the menu, schedules, and other helpful links.



**Equipment Acquisition, Renovation, and Upgrades**

CCJPA is focused on refining the maintenance and operations programs at the Oakland Maintenance Facility to improve the reliability, safety, and cost-effectiveness of the Northern California rail fleet, which supports both the Capitol Corridor and San Joaquin services. The fleet is primarily California-owned equipment as shown in Table 7-1. New fleet acquisitions under development will dramatically increase service capacity. In November 2023, CCJPA received board authorization to enter into a joint services agreement with SJJPA for maintenance of the Northern California rail fleet with its third-party maintainer – Transit Services America Inc. (TASI). This transition will allow both services to adhere to higher maintenance quality, cleanliness, and be more agile with overhaul projects. The expectation is that CCJPA will transition from Amtrak to TASI as the maintenance provider by the beginning of FY 2024-25.

The fleet plan for FY 2023-24 is below in Table 7-1. Capitol Corridor has been operating temporary reduced service with a fleet that relies on seven four-car trainsets. For the upcoming FY 2024-25, Capitol Corridor plans to return to pre-pandemic train service levels which will require additional equipment. This will be possible as the “Venture Fleet” is commissioned along the SJJPA route.

**Table 7-1: Northern California Equipment Fleet (Capitol Corridor and San Joaquins)**

California owned rail equipment	NOTES
13 F59 Locomotives	Assigned to San Joaquin and Capitol Corridor service
2 Dash-8 Locomotives	Assigned to the Oakland Maintenance Facility Yard
10 Charger Locomotives	Assigned to San Joaquin and Capitol Corridor service
75 Bi-Level California Coach and Surfliner Cars	Assigned to San Joaquin and Capitol Corridor service
14 Single Level Comet Cars	Assigned to San Joaquin service
<b>Amtrak Supplemental Equipment</b>	
4 NPCU Single Level Baggage Cars	Assigned to San Joaquin and Capitol Corridor service
1 Amtrak Bi-Level Superliner Cars	Assigned to San Joaquin and Capitol Corridor service

### **Rehabilitation and Modification Programs**

Using previously allocated State funds, the CCJPA, Caltrans, and Amtrak have established a multi-year program of periodic overhauls for the existing train fleet. This program aims to improve fleet performance, maintain the valued assets of the State’s rolling stock investment, and provide enough cars to effectively run the service until enough new cars arrive in 2024. Below are lists of both completed and upcoming projects.

#### **Rail Equipment Projects Completed in FY 2022-23**

- Replaced the destination sign LED displays.
- Overhauled the hydraulic ADA boarding lifts on all cars.
- Ongoing replacement of current incandescent and fluorescent lighting with more energy efficient, brighter, longer lasting, and cooler operating LED lighting.
- Overhauled of trucks and suspension for a safer, smoother ride.
- Cleaned waste tank systems and the possible rerouting of venting on the 8800-series cars to help mitigate foul odors.
- Renewable Diesel Transition completed.
- Installed Cal-ITP-compliant card readers on cab cars to allow contactless credit card fare payments without pre-reservation.

#### **Rail Equipment Projects Upcoming in FY 2023-24**

- Install Cal-ITP-compliant card readers on all remaining cars to allow contactless credit card fare payments without pre-reservation.
- Train Manager lineup tool to improve the digital management of rail equipment and communication with Wi-Fi, Tap2ride, and GTFS developed and implemented.
- Transition of maintenance provider - TASI.
- Equipment Redeployment will begin as the third Siemens Venture Car set is deployed on the San Joaquin Corridor

#### **Rail Equipment Projects Upcoming in FY 2024-25**

- Truck Overhaul work will continue through the remainder of the fleet.
- Add Maintenance transition to new provider expected to be completed.
- State of Good Repair Asset Condition Assessment to determine short- and long-term overhaul plans.
- Equipment Redeployment will continue as Siemens Venture Car sets are deployed on the San Joaquin Corridor.

## **8. Marketing Strategies**

To raise brand awareness of the Capitol Corridor service and increase ridership, the CCJPA employs a strategy of combining targeted advertising campaigns, multi-channeled cross-promotions with strategic partners, paid and organic social media, and media outreach efforts. Primary objectives include promoting the service in key markets and attracting riders to trains. Staff will focus on rider acquisition and retention through targeted advertising and brand engagement, primarily in the digital media space. Marketing dollars and impact are maximized through joint promotions and social media sharing with key partners along the Capitol Corridor route. Winning back riders will require an aggressive approach to marketing, demanding that funds remain at an increased level to support the planned efforts.

### *Advertising Campaigns, Brand Awareness, and Promotional Partnerships*

- Advertising campaigns aim to attract leisure and business travel riders by highlighting the advantages of train travel, including amenities, value, and destinations.
- Advertising efforts emphasize the Capitol Corridor image, brand, and destinations, in accordance with the CCJPA Board’s edict to create a distinct, regional brand for the Capitol Corridor and strengthen brand awareness throughout the service area.
- Promotions 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 events at venues along the route, such as Levi’s® Stadium.

- **Partnership Brand Marketing:** CCJPA’s Strategic Marketing Partnership program has established a marketing asset catalog to support CCJPA’s trade promotion negotiations, enabling selected partners to market their products via Capitol Corridor’s diverse marketing channels, such as interior, exterior, and station signage, social media, email, electronic station signs, and the onboard Wi-Fi landing page. The partnership program is designed to extend advertising reach, as well as increase value, ridership, and revenues by leveraging relationships with organizations that are close to Capitol Corridor stations and/or share similar target audiences to heighten Capitol Corridor’s brand visibility.
- **Joint Marketing and Outreach:** The CCJPA achieves cost efficiencies by working with local community partners, such as CCJPA member agencies and local Destination Management Organizations, to promote both destination and rail travel.

#### *Customer Experience*

The CCJPA views communication with passengers as the cornerstone of our customer-focused service delivery. CCJPA actively encourages passengers to provide input through our website, social media channels, and toll-free number, funneling these comments into an online platform, which allows CCJPA to better respond to the customer’s request or issue. We use this feedback to identify and prioritize service modifications, capital improvements, and desired amenities in the service.

#### *Communications: Online Presence and Customer Engagement*

The CCJPA places great importance on delivering timely and accurate passenger communications through multiple channels, and engaging customers in providing feedback. Ongoing efforts include:

- Maintaining a website that is mobile-optimized that is easy to navigate, with user-friendly booking and trip planning tools, along with timely and engaging content.
- Boosting participation in online social networking platforms, such as Facebook, Twitter, Instagram, LinkedIn, and TikTok, and exploring new opportunities within these rapidly evolving platforms.
- Continuing rider engagement programs such as our virtual “Corridor Conversations” webinars, onboard programs such as “Cappy Hour” discounted drink hours and seeking a new platform for our Capitol Corridor Rewards program.
- Enabling consistent and timely passenger communications via a variety of channels, including SMS/text and email service alerts, to ensure customers receive clear and up-to-date information.
- Encouraging passengers to provide input via our channels such as the website, social media, and toll-free number. We use this feedback to identify and prioritize service modifications, capital improvements, and desired amenities for the service.

#### *Public Relations, Outreach, and Advocacy*

The CCJPA’s public information efforts incorporate traditional and digital media to build awareness about its service and projects. Activities include:

- Advocacy and public relations efforts aim to increase the Capitol Corridor’s visibility and recognition as a unique interagency partnership aligned with broader statewide goals of enhancing mobility for all and reducing greenhouse gas emissions.
- Helping communities along the route to build awareness of the service in their respective cities through a variety of local outreach campaigns, including transit connections via the Transit Transfer Program.
- Publishing an Annual Performance Report that informs the public and elected officials of the service’s successes, benefits, and challenges.
- Collaborating with Operation Lifesaver, a voluntary effort by railroads, safety experts, law enforcement, public agencies, and the general public.
- Developing and sharing content that highlights key projects, staff work, partnerships, and other activities that help tell the Capitol Corridor’s story and help shape its brand identity.

### **FY 2024-2025 Marketing Program**

CCJPA's FY 2024-2025 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 and markets with the highest growth potential.

CCJPA will continue its independent advertising campaigns that position Capitol Corridor as a distinct regional service brand for leisure and business travel. CCJPA will evolve the Capitol Corridor brand to ensure that marketing and customer touchpoints align with the CCJPA's overall vision at present and into the future. Key elements will include:

- Developing a comprehensive marketing plan to attract and grow ridership to pre-pandemic levels.
- Creating more digital content (videos, photos, infographics, etc.) for distribution via website, blog, and social media channels, to educate and engage riders and non-riders.
- Renewing promotions with partners to attract business travelers and leisure riders, maximize media spend, and expand market reach.
- Refine overall customer experience, seeking solutions for Contact Center communication gaps and efficiencies, planning for customer support center function as the Tap2Ride program expands, implement new method of providing timely and relevant service alerts, etc.
- Identifying areas for marketing and customer service automation and personalization, to use our resources more efficiently.
- Performing deeper analysis of ridership data to identify emerging markets, opportunities for micro-markets (single day/train offers, short-distance city pairs, etc.), and marketing Tap2Ride fares.
- Conducting additional surveys of riders and non-riders to learn more about current ridership and opportunities.
- Extending visibility of the brand, via train exteriors, uniforms, and other channels.

### **FY 2025-2026 Marketing Program**

The CCJPA will continue to strive to grow ridership and revenue in 2025, as well as increase brand awareness through the region and beyond. Marketing strategy and tactics are expected to shift as Tap2Ride expands, bringing new challenges in effectively providing quality customer service, as well as opportunities. CCJPA will plan service for fans attending high-profile events at Levi's Stadium, including Super Bowl LX in February 2026, along with other leisure-oriented events along the route.

## **9. FY 2024-25 & FY 2025-26 Annual Funding Requirement**

The primary purpose of this ABP, as defined 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, as well as administer two State IPR technology programs and a megaregional rail service expansion planning effort. Previous sections in this document describe the proposed operating plan, planned service improvements, and capital improvements for FY 2024-25 & FY 2025-26. The funding request for the same period is detailed in Table 9-1. and described below.

### Amtrak Operations

In response to CalSTA’s mandate (in the FY 2023-24 ABP approval letter) to implement cost reduction strategies due to the California Intercity Passenger Rail (CA IPR) Service Program’s structural deficit, CCJPA has reviewed and implemented a series of strategic measures to reduce Amtrak operating costs and increase revenue. While recent trends show promising growth in passenger demand into FY 2023-24, Capitol Corridor service ridership and revenue are down by



48% and 40% from FY 2018-19 to FY 2022-23, respectively, due to the impacts of the global pandemic. The 52% increase in the State subsidy required to operate the Capitol Corridor service from FY 2018-19 to FY 2022-23 is primarily due to decreased ridership and revenue. The farebox recovery ratio for the Capitol Corridor service decreased from 61% in FY 2019 pre-pandemic to 40% in FY 2023.

However, with this recognition of the escalating costs required to operate at decreased service levels, CCJPA has managed to hold overall Amtrak operating costs steady from FY 2019 to FY 2023. The total operating costs decreased by 4% from \$62.5 million in FY 2019 to \$60.0 million in FY 2023, despite a Consumer Price Index (CPI) increase of 18% during the same period. CCJPA has been successful in maintaining the current level of costs due to targeted efforts with Amtrak to improve operational efficiency, including adjustments to train and bus service levels, station operations, and equipment usage. Additionally, there are additional cost reduction strategies being implemented as of the writing of this Business Plan update.

One operational efficiency measure in the process of being implemented is the shift of responsibility for the maintenance of the Northern California rail fleet to a new service provider from Amtrak. This change is expected to result in a reduction of Amtrak operating expenses commencing in FY 2024-25. This cost reduction is described below in the California Intercity Passenger Rail (CA IPR) Support Supplemental Allocation Requested by San Joaquins Joint Powers Authority (SJJPA) on Behalf of CCJPA section, however, it is not yet reflected in the current Amtrak Operating forecast. Forecasts for this effort are currently being analyzed and the Amtrak Operating funding request will be revised prior to submission to CalSTA.

Based on the Operating Plan and Strategies (Section 3), the CCJPA has prepared an initial forecast for the FY 2024-25 & FY 2025-26 operating expenses, ridership, and revenues. In close collaboration with JPA staff from the three California intercity rail JPAs, including Capitol Corridor, Caltrans has developed a Cost Optimization Strategic Initiative (COSI) model to project the estimated operations subsidy needed for each California intercity rail corridor based on various service levels and revenue assumptions. This model is updated quarterly based on current trends and analyzes various scenarios to assess the availability of resources. The COSI model was used to estimate the operations funding needed for the FY 2024-25 & FY 2025-26 Amtrak Operations funding request, while actual Amtrak Operating costs will be determined by the implementation of the newly revised costing methodology. These factors along with the decreased ridership demand due to the ongoing impacts of the COVID-19 pandemic result in an unusual level of uncertainty in the operating forecast.

The operating forecast assumes that full service will resume in the first quarter of FY 2024-25, contingent upon a return of customer demand, available equipment, and sufficient operating subsidy from the State. Additionally, an improvement in operating efficiency and a decrease in operating costs are required to return to full service. The FY 2023-24 operating costs conform pursuant to the new PRIIA Section 209, which was implemented in FY 2013-14 and revised in FY 2023-24 as part of a national launch of a pricing policy for all Amtrak-operated IPR services under 750 miles. Given the unusual level of uncertainty regarding operating costs and passenger revenue, future updates to the budget forecasts are expected.



Projected operating costs are shown in Table 9-1 and include the basic train service and associated throughway bus services provided by Amtrak, the Information and Customer Support Services provided at the BART/CCJPA Contact Center, as well as CCJPA’s share of costs related to local transit service partnerships.



As described in Section 4, CCJPA launched the Cal-ITP MVP, Tap2Ride, in March 2023. During a transitional period combining both CCJPA ticketing support and Amtrak ticketing support, state funding to support CCJPA revenue collection may be required. As CCJPA’s responsibility for ticketing ramps up, Amtrak costs for supporting ticketing are expected to decrease, funding these new

functions going forward. Overall, the introduction of Cal-ITP compatible ticketing will require future interaction with Caltrans DRMT staff to give greater definition to the timing and costs. As such, CCJPA is requesting a flexible approach to funding this effort due to the current unknowns. Funding to support Tap2Ride is currently requested under the California Intercity Passenger Rail (CA IPR) Support Supplemental Allocation for Cal-ITP.

### **Direct Operations**

The Direct Operations funding request captures operating expenses that were formerly included in the Amtrak Operating budget (such as the partnership with El Dorado County Transit Authority for the Sacramento to South Lake Tahoe connecting motorcoach route) and other direct operating expenses, such as bus partnerships, station contracts, transit transfers, rail safety initiatives, and system monitoring. Included under system monitoring, as described in Section 3 under Service Operations Efficiencies, is funding for ongoing monthly support of an improved Train Manager “line-ups” tool that is web-accessible and integrates with train consist data used by various other systems, including Wi-Fi and contactless EMV readers (see below).

### **Marketing Expenses**

The CCJPA’s marketing budget for FY 2024-25 and FY 2025-26 includes resources required to support marketing strategies as described in Section 8. Bringing back passengers and increasing ridership will require an aggressive approach to marketing that demands an increase in funds to support the planned efforts. The budget estimates shown in Table 9-1 represent only the direct expenditures of the CCJPA and do not include any costs for marketing programs provided solely by Amtrak or the State.

### **Administrative Expenses**

Table 9-1 identifies the estimates for the FY 2024-25 and FY 2025-26 budgets that support the administrative management activities of the CCJPA for the Capitol Corridor service. The administrative funding request includes resources focused on supporting capital project funding and advancing capital improvements due to anticipated federal and state grant opportunities. Also included in the administrative budget request are resources to support the recently acquired responsibilities of direct management of Northern California Wi-Fi, management of legacy CA PIDS, and the implementation of Cal-ITP or Tap2Ride on the Capitol Corridor service. As in recent years, CCJPA staff will continue to execute strategies to charge appropriate CCJPA labor costs to capital project grants, which will offset administrative expenses.

### **Total CCJPA Funding Request**

As detailed in Table 9-1, the total proposed combined budgets for CCJPA’s operating, marketing, and administrative expenses are expected to increase by five percent in FY 2024-25 compared to the current period (FY 2023-24). The historical heavy reliance on passenger fare revenue to support operations necessitates a larger operating subsidy from the State to support the Capitol Corridor service operations due to the impacts of the pandemic. CCJPA has limited direct control over the Amtrak operating costs and must follow the newly implemented costing methodology that establishes the cost structure for Amtrak-provided services.

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 exceeding business plan projections during the term of the ITA will be used by the CCJPA for service improvements.



### **CCJPA Supplemental Allocations**

CCJPA receives additional annual supplemental allocations from Caltrans for special projects that benefit the Capitol Corridor service and are not included in the core CCJPA annual operating budget. These CCJPA Supplemental Allocations are listed in Table 9-1.

#### *Minor Capital Projects*

Minor capital projects are small projects to improve Capitol Corridor passenger rail facilities and operations that are less than \$388,000. Recent examples of minor capital projects include the installation of signage at stations, installation of fencing along the Capitol Corridor route, and the repair of vandalized station bike eLockers.

#### *Capitalized Maintenance*

Refer to the description in Chapter 4, Railroad Infrastructure Maintenance and Improvements section.

### **California Intercity Passenger Rail (CA IPR) Support Supplemental Allocations Requested by CCJPA**

CCJPA receives additional annual supplemental allocations from Caltrans for special projects that benefit the other CA IPRs but are led by CCJPA. These CA IPR Supplemental Allocations are listed in Table 9-1.

#### *Northern California Onboard Wi-Fi*

In 2018, CCJPA transferred the provision of third-party onboard Wi-Fi and its associated management expenses for the two Northern California State-supported intercity passenger rail services (Capitol Corridor and San Joaquins) from Amtrak to the CCJPA. There has been an understanding that the Southern California Pacific Surfliner may eventually join under CCJPA’s oversight, but this has not transpired to date. Funding for the provision of onboard Wi-Fi was formerly included in the Amtrak Operating budget and has since been funded to CCJPA as a CA IPR Supplemental Allocation. As part of this shift, CCJPA procured a Next Generation onboard Wi-Fi service provider and a Wi-Fi service oversight contractor. CCJPA transitioned to Next Generation Wi-Fi for the Northern California fleet in 2020. In 2022, notable features leveraging the initial Wi-Fi investment were launched to sustain and modernize operations, such as contactless EMV readers used with Cal-ITP.

Additionally, CCJPA will oversee the Wi-Fi installation for the new Siemens “Venture Cars” fleet that will be part of the SJJPA operation. Unfortunately, due to the unforeseen delays in the delivery of the Venture Cars, there have been budgetary adjustments as equipment and labor costs rose over the years of delay. These updated costs and the actual delivery of two full Venture Car trainsets have now been captured and paid out using funds received in FY 2023-24. Due to significant delays, future trainset installations will require increased costs in FY 2024-25.

The funding request for FY 2024-25 for the Northern California Onboard Wi-Fi program is listed in Table 9-1. The funding request is inclusive of the capex and operating payments to the Wi-Fi service provider for the Northern California fleet, comprised of bi-level and the (anticipated) new Siemens Venture Cars, a new set of Stadler (SEMU) cars in the initial design stages needing Wi-Fi consultation, the Wi-Fi oversight provider, cellular SIM costs, maintenance of two legacy Wi-Fi systems, and CCJPA’s estimated project labor costs. CCJPA and SJJPA marketing and communications managers have also included updated costs for the Wi-Fi portal pages, which are necessary for planned updates and delivered content. Using surplus funding from prior years, a pilot launched in October 2022, offering recent movie content to passengers. As well, there are additional functions described below that are being embedded into Wi-Fi operations:

- Successfully introduced as a pilot, movie content provisioning is now included as an amenity to make train travel more attractive.
- Miscellaneous content updates via the portal page throughout the year initiated based on technological developments and customer engagement concepts.
- Modem upgrades to utilize 5G connections provided by all major carriers.
- Network improvements to make the Wi-Fi system more robust for applications using the system such as the Cal-ITP EMV reader monitoring.
- Digital train line (DTL)wear/tear investigations and solution design and multi-brain car conflicts due to the age of DTL cables/connectors and the longer than expected need to have additional brain cars, which can cause issues when more than one car is present in a consist – caused due to late arriving Venture cars.
- Installation of new access points, which incorporate Bluetooth technology and support “open-roaming” in a consistent method that will be available at the stations (via the PIDs project).
- Expansion beyond FY 2023-24 funded testing (research & development) for real-time person counting, using the Bluetooth element included in the access point upgrade (above), which can deliver real-time counting and subsequently lead to various AI analysis applications around ridership from various data sources (both proposed for FY 2024-25).
- Support for ongoing membership representing Wi-Fi, EMV, and related data structures in the international ITxPT organization, which drives industry standards for rail and transit vehicles, serves as a direct voice for Caltrans DRMT and CCJPA in oversight (funding is split between Wi-Fi and Cal-ITP).

These planned initiatives to upgrade or leverage the Wi-Fi system include previously postponed improvements from the prior FY 2023-24. To ease the fiscal request, the CCJPA anticipates a mid-year upgrade of the access points and rollout of passenger counting in FY 2024-25, which will push roughly one-third of those costs into FY 2025-26, to be included in next year’s ABP funding request.

#### *California Passenger Information Display System (PIDS)*

In FY 2022-23, CCJPA assumed the management responsibilities of the existing CA PIDS for the CA IPR system, including Capitol Corridor, the San Joaquins, and the Pacific Surfliner, which were formerly supported by Amtrak and funded under the Amtrak Operating allocation. As part of this management shift, CCJPA entered into new contracts with the vendors who support the regular oversight, operations, and maintenance of CA PIDS. While the PIDS Modernization project is being implemented, the legacy CA PIDS needs to be kept operational for critical passenger information at stations. The funding request for FY 2024-25 and 2025-26 for the CA PIDS management and O&M is listed in Table 9-1 under the IPR Support Supplemental Allocation section. The funding request includes the vendor costs for oversight and O&M, as well as CCJPA labor costs for program administrative management. As PIDS Modernization is implemented across different rail corridors, the cost of maintaining the existing CA PIDS is expected to decrease over time, while costs for maintaining the new PIDS will increase as the modern PIDS is implemented.

*Link21 (New Transbay Rail Crossing)*



BART and the CCJPA have been working together to develop the Link21 Program, which includes a new Transbay Rail Crossing between Oakland and San Francisco, along with other rail improvements design to benefit both BART and interregional (intercity and commuter) passengers. The Link21 program has the potential to transform rail travel in Northern California

by making rail travel faster, more frequent, more reliable, and a more viable mode of transportation for people in the Northern California Megaregion. Previous studies have identified the need for a new Transbay Rail crossing, including the Core Capacity Study for the Transbay Corridor (Metropolitan Transportation Commission [MTC]), the Horizon Crossings Study (MTC), the New Transbay Rail Crossing (Bay Area Council Economic Institute), and the 2018 and Draft 2024 California State Rail Plan (Caltrans).

CalSTA has supported the Link21 program development since FY 2019-20 with \$1.5 million annually, funded through CCJPA’s ABP annual allocation for Link21. As shown in Table 9-1, CCJPA is requesting an annual supplemental allocation amount of \$1.5 million per year for FY 2024-25 & FY 2025-26 for the purposes of supporting dedicated full-time staff positions and providing financial resources for project planning and implementation strategies.

*California Integrated Travel Program (Cal-ITP)*

As described in Section 4 under Service Amenity Improvements, CCJPA serves as the fiscal sponsor for a CalSTA- and Caltrans-led, multi-agency initiative to research, develop, and implement an Integrated Travel Program (Cal-ITP) that will enable California residents and visitors to plan and pay for travel across multiple modes of transportation, including buses, metro, light and intercity rail, paratransit, bike hire, and ride-hailing services in California. While CCJPA will continue to work with the State to support this effort, we are also working with CalSTA and Caltrans DRMT to explore governance options so that the fiscal oversight of Cal-ITP can eventually be handed off from CCJPA. We anticipate the need for support through FY 2024-25; however, into FY 2025-26, CalSTA and Caltrans have objectives to incorporate all Cal-ITP elements into State agency programs. Based on our experience, we recognize that these transitions are complicated, and the staff is already overburdened with competing duties. Thus, out of caution, CCJPA will submit a request for FY 2025-26, along with the expected request for FY 2024-25 to carry Cal-ITP forward to an eventual handoff to the State of California.

The MVP or pilot test for the CA IPR system commenced for the Capitol Corridor service in March 2023. While it builds on other MVP efforts for buses and light rail transit, the passenger rail operating environment presents unique challenges to overcome for both operations and the banking system, and newly to CCJPA – a customer service hosting requirement. Programmatic enhancements and infrastructure are required so that CCJPA can transition as many customers as feasible and practical to the contactless payments mode over time, replacing the longstanding ticket system currently in place. Additionally, CCJPA will need to investigate other complimentary payment modes, such as mobile ticketing, to handle the plethora of customer needs as a complement to contactless payment methods. We anticipate a focus on a complimentary mobile ticketing mode might commence in FY 2025-26, and will seek other grant funding, an ABP allocation or wrap this into the overall Cal-ITP program in the future.

The funding request to support Cal-ITP is detailed in Table 9-1 and includes support for the following elements related to CCJPA’s contactless payment pilot program, Tap2Ride:

- Service monitoring of all Cal-ITP elements on the train, including chain and status of contactless EMV readers and the backend GPS, EMV reader status, and forwarded payment processing data. All of this is based on using the on-train Wi-Fi system as the communication system of record.
- Development of a mobile app to support customer service, ticketing, account management, notifications, loyalty, and other customer needs. Scaling of a Customer Care Center to support the Tap2Ride MVP phases and beyond with an evolving “walk-before-you-run” approach, combining staff and outside procured customer service support. This focus is expected in FY 2024-25 as the program expands to more trains and passengers in Phase 2, with the possibility of further phases before the full open launch of contactless payments, anticipated in FY 2025-26.
- Software development to support financial and performance data integration for reporting, audit, and reconciliation purposes is scheduled for FY 2025-26.

**California Intercity Passenger Rail (CA IPR) Support Supplemental Allocations Requested by San Joaquins Joint Powers Authority (SJJPA) on Behalf of CCJPA**  
*Northern California Rail Fleet Maintenance*

As described in Section 7, CCJPA will enter into a joint services agreement with SJJPA for the maintenance of the Northern California rail fleet through its third-party maintainer. This transition will allow both Capitol Corridor and San Joaquins services adhere to higher quality maintenance standards and be more agile with overhaul projects. The expectation is that CCJPA will transition to the new third-party maintainer from Amtrak at the beginning of FY 2024-25.

As a result of this change, there will be a reduction in Amtrak operating costs for equipment maintenance, and CCJPA’s funding requirement for Amtrak Operations will be reduced. This reduction in costs under the Amtrak Operations funding request has not yet been reflected in the funding request as of this writing because it is still under analysis; however, it will be finalized prior to submission to the CalSTA.

Given that SJJPA will hold the new maintenance contract for equipment used in the Capitol Corridor service, SJJPA will request funding on behalf of Capitol Corridor for equipment maintenance costs in its FY 2024-25 and FY 2025-26 ABP funding request.

<b>Table 9-1</b>			
<b>CCJPA FY 2024-25 &amp; FY 2025-26</b>			
<b>DRAFT FUNDING REQUIREMENT &amp; SUPPLEMENTAL ALLOCATIONS</b>			
<i>Budget forecasts will continue to be developed prior to submission to CalSTA.</i>			
<b>Capitol Corridor Service<sup>1</sup></b>	<b>AUTHORIZED</b>	<b>*REQUESTED</b>	<b>*REQUESTED</b>
	<b>FY 2023-24 Budget Reduced Service</b>	<b>FY 2024-25 Budget Pre-Pandemic</b>	<b>FY 2025-26 Budget Pre-pandemic</b>
<b>TRAIN SERVICE BY ROUTE</b>			
Sacramento-Oakland			
Weekday	22 / 30	30	30
Weekend	18	22	22
Oakland-San Jose			
Weekday	14	14	14
Weekend	14	14	14
Sacramento-Roseville	2	2	2
Roseville-Auburn	2	2	2
<b>RIDERSHIP</b>	1,185,500	1,068,303	1,113,149
<b>FUNDING REQUIREMENT</b>			
<b>Operating</b>			
Amtrak Operating Expenses	\$ 62,807,936	\$ 65,701,260	\$ 67,287,654
Amtrak Operating Revenue	\$ (25,641,038)	\$ (26,707,580)	\$ (27,828,719)
Operating - Amtrak (Expenses less revenue) <sup>2</sup>	\$ 37,166,898	\$ 38,993,680	\$ 39,458,935
Contingency Fund <sup>3</sup>	\$ -	\$ -	\$ -
Direct Operations <sup>4</sup>	\$ 575,011	\$ 1,042,360	\$ 1,064,232
Information Customer Support Services	\$ 1,467,373	\$ 1,526,068	\$ 1,587,111
<b>CCJPA Administrative Management</b>			
Administration	\$ 4,000,194	\$ 4,160,201	\$ 4,326,609
Marketing	\$ 1,683,970	\$ 1,683,970	\$ 1,683,970
<b>TOTAL CCJPA Funding Requirement</b>	<b>\$ 44,893,446</b>	<b>\$ 47,406,279</b>	<b>\$ 48,120,857</b>
<b>CCJPA SUPPLEMENTAL ALLOCATION</b>			
Minor Capital	\$ 500,000	\$ 500,000	\$ 500,000
Capitalized Maintenance	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
<b>TOTAL CCJPA Supplemental Allocation</b>	<b>\$ 1,500,000</b>	<b>\$ 1,500,000</b>	<b>\$ 1,500,000</b>
<b>(IPR) SUPPORT SUPPLEMENTAL ALLOCATION<sup>5</sup></b>			
Northern California Onboard Wi-Fi	\$ 2,735,601	\$ 3,307,323	\$ 3,382,654
Link21 (New Transbay Rail Crossing)	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
California Integrated Travel Program (CalITP)	\$ 9,149,000	\$ 6,500,000	\$ 6,500,000
Passenger Information Display System Support	\$ 633,295	\$ 661,198	\$ 170,258
<b>TOTAL CA IPR Supplemental Allocation</b>	<b>\$ 14,017,896</b>	<b>\$ 11,968,521</b>	<b>\$ 11,552,912</b>

<sup>1</sup>Reduced Level of service of 22 weekday/18 weekend trains effective June 7, 2021.  
Train Service forecast assumes restoration to pre-pandemic levels of 30 weekday/22 weekend in the first quarter of FY 2023-24.

<sup>2</sup>Forecasts for Amtrak Operations is based on the Cost Optimization Strategic Initiative (COSI) model outputs developed by California Department of Transportation (Caltrans) Division of Rail and Mass Transit (DRMT) along with the California Intercity Passenger Rail Joint Powers Authorities, including CCJPA.

<sup>3</sup>In FY 2022-23, six percent above the COSI subsidy forecast is provided by CaSTA to cover unexpected operations costs. Contingencies for FY 2023-34 and FY 2024-25 are unknown.

<sup>4</sup>Direct Operations captures operating expenses that were formerly included in the Amtrak Operating budge and other direct operating expenses, such as bus partnerships, station contracts, transit transfers, rail safety, and system monitoring.

<sup>5</sup>CA Intercity Passenger Rail (IPR) Support Supplemental Allocation is funding to support CCJPA-led projects that benefit the three California IPRs including the Capitol Corridor, the San Joaquins, and the Pacific Surfliner.

## 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. The prior agreement between the San Francisco Bay Area Rapid Transit District (BART) and CCJPA, wherein BART serves as the CCJPA’s Managing Agency, was first renewed in February 2005 for a five-year term through February 2010. Subsequently, it was renewed for another five years for the period of February 2010 through February 2015. These five-year terms are consistent with AB 1717, enacted in September 2003, which allows the CCJPA Board five years to monitor BART’s performance as the Managing Agency. In November 2019, the CCJPA Board approved a five-year term with BART for the period of February 20, 2020 through February 19, 2025. This action was supported by BART’s Board in December 2019.

As identified in the ITA, the State performs audits and reviews of CCJPA’s service-related financial statements. In addition, the CCJPA requires that the Controller-Treasurer provides an annual independent audit of the CCJPA’s accounts within six months of the close of the State fiscal year. BART has established appropriate accounting and financial procedures to ensure that funds secured by the CCJPA during FY 2024-25 and FY 2025-26 to support the Capitol Corridor 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 2024-25 and FY 2025-26 service plans and funding requirements. Planning for potential new services will require securing capital improvements, additional operating funds, and institutional agreements. The CCJPA CIP is fully aligned with the goals of the 2018 State Rail Plan, which includes integration of rail services (high-speed rail, intercity and regional rail, and integrated express buses) and the development of multimodal connection points across the State that allows for convenient and timed transfers between different transit services and modes.

The 2018 State Rail Plan, developed by CalSTA and Caltrans DRMT, envisions a larger-scale passenger and freight rail network in California. The Plan incorporates not only the IPR services but also the planning efforts for the California High-Speed Rail system. The leadership demonstrated by CalSTA, as expressed through the 2018 State Rail Plan, is advancing the concepts of State rail planning and has influenced the funding awards CCJPA has received from Cap and Trade, as well as under SB1.

### **Megaregional Rail Planning & Vision Plan Update**

In November 2014, the CCJPA Board adopted the Vision Plan Update, and in November 2016, it adopted the Vision Implementation Plan that directed the CCJPA to plan the future of Capitol Corridor service within a larger Northern California megaregional context. This endeavor includes exploring cross-bay connections in the San Francisco Bay Area and connections with passenger rail services in the San Joaquin Valley. In 2018, the State adopted a State Rail Plan that supported actions within the CCJPA Vision Implementation Plan and encouraged cooperation among Northern California rail providers within a Northern California Megaregional context.

The long-term vision for the Capitol Corridor fundamentally involves developing the service where frequency is not limited by existing host railroad agreements, currently capped at 15 roundtrips between Sacramento and Oakland. Instead, the vision is for a service with 15-minute frequencies during peak hours, and one where higher-speed service (up to potentially 150 mph – electrified service) is permitted. This vision was first examined at a high level in the Vision Plan Update where core concepts were studied, and several viable alignment alternatives were moved forward to the next step. The next step, the Vision Implementation Plan, eliminated alternatives to one alignment via a phased and detailed engineering and operations level analysis. By identifying a path to a railroad corridor under public control, the implications for layering intercity, commuter, and even high-speed rail are all viable potential outcomes consistent with the objectives of the 2018 State Rail Plan.

Now that CCJPA has been officially identified as part of the Federal support for corridor planning through the Corridor ID Program, in conjunction with Caltrans, the CCJPA anticipates that the Corridor ID program will be able to build from and beyond the Vision Plan with far greater analysis and robust analysis that was possible given the Vision Plan budgets. By award definition, this will also include, of course, the existing Capitol Corridor route but will also expand to consider new markets passing through communities into Reno, Nevada, and California communities leading to Novato and Salinas. The level of resources allocated to all existing and new Northern California geographies will provide the resources necessary for Corridor ID to conduct in-depth analysis of markets, changing travel patterns, engineering feasibility, environmental impacts, and operating potential. This analysis will be crucial in developing a capital investment and operating plan strategy that can sustain Capitol Corridor’s service improvement plans for the next twenty years.

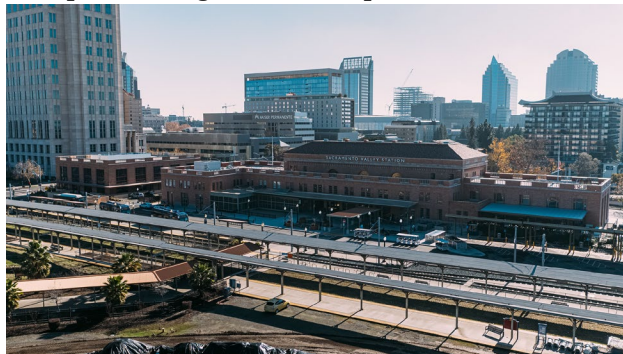
**Link21 (New Transbay Rail Crossing)**

CCJPA is working with BART on the planning of a New Transbay Rail Crossing – an opportunity for a passenger rail crossing between Oakland and San Francisco. This approach aligns with the Core Capacity Study needs identified in the Metropolitan Transportation Commission (MTC)-led study and with the CCJPA Board’s direction to study a conventional rail crossing in support of an expanded rail network as described in the 2022 State Rail Plan. The context of the 21-county Northern California Megaregion is the backdrop for the planned incremental program development steps for this megaproject.

CCJPA is supporting the planning and program management of this project with annual CA IPR supplemental allocations provided by CalSTA to CCJPA. CCJPA will participate in program oversight, outreach, planning, environmental and design efforts, ROW, and, finally, construction efforts that are aimed at project delivery over the next 15 to 20 years. The next milestone will be in 2024 when the project to be environmentally cleared is defined.

**Rail Service Expansion Planning**

Most recently revised in February 2019, the CCJPA’s Train Station Policy supports future extensions to new markets beyond the Capitol Corridor or new locations within the existing route. This policy encourages partnerships between several passenger rail services and local and regional transportation agencies. The updated CCJPA Train Station Policy presents an improved process to



consider new station viability, benefit, and integration into the Capitol Corridor route. It clarifies the process of establishing a potential new station and of developing the funding program to support the development of new stations along the route. On February 12, 2020, the CCJPA Board approved a candidate station status to the City of Hercules, pursuant to the new Train Station Policy. The City of Hercules will continue to pursue funding for station development and travel time mitigation.



# 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 Funding Requirement
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%	\$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%	\$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%	46%	\$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%	\$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%	\$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%	\$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%	\$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%	\$29,158,222
FFY 11/12 (i)	32/30	1,746,397	2.2%	4,785	\$29,200,000	7.4%	\$59,035,857	4.1%	49%	\$29,606,390
FFY 12/13	30	1,701,185	-2.6%	4,661	\$29,186,617	-0.05%	\$60,472,128	2.4%	48%	\$29,110,318
FFY 13/14 (j)	30	1,419,084	-16.6%	3,888	\$29,177,880	-0.03%	\$58,063,314	-4.0%	50%	\$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%	\$32,595,784
FFY 15/16	30	1,560,814	5.8%	4,276	\$32,187,647	7.0%	\$57,135,316	-0.8%	56%	\$31,745,660
FFY 16/17	30	1,607,277	3.0%	4,403	\$33,968,835	5.5%	\$58,010,359	1.5%	59%	\$31,729,519
FFY 17/18	30	1,706,849	6.2%	4,676	\$36,305,769	6.9%	\$61,221,333	5.5%	59%	\$31,000,000
FFY 18/19	30	1,777,136	4.1%	4,869	\$38,109,114	5.0%	\$62,492,832	2.1%	61%	\$28,689,495
FFY 19/20 (k)	30/10/16	898,007	-47.4%	2,460	\$20,364,433	-43.9%	\$48,856,227	-20.2%	42%	\$28,174,000
FFY 20/21 (l)	22/18	354,373	-80.1%	971	\$8,869,808	-76.7%	\$42,055,480	-32.7%	21%	\$25,385,000
FFY 21/22 (m)	22/18	705,365	99.0%	1,933	\$17,795,622	100.6%	\$50,983,505	21.2%	35%	\$33,187,883
FFY 22/23*	22/18	921,105	30.6%	2,524	\$23,920,166	34.4%	\$59,717,390	17.1%	40%	\$35,797,224

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

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

a. Statistics available for partial year only because service began in December 1991.

b. Increase to 8 trains began in April 1996.

c. Statistics presented for FFY 97/98 and each subsequent FFY to conform with Performance Standards developed by BT&H.

d. 10 trains began on October 25, 1998 and 12 trains began on February 21, 1999.

e. 14 trains began on February 28, 2000 .

f. 18 trains began on April 29, 2001.

g. 20 trains began on October 27, 2002; increase to 22 trains began on January 6, 2003; increase to 24 trains began on April 28, 2003.

h. 32 trains began on August 26, 2006 (with increase to 14 daily trains to/from San Jose).

i. 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. Due to the COVID-19 global pandemic, train service was reduced to 16 weekday/10 weekend trains. \$8.5 m in federal CARES Act funding helped to offset State Costs and supplement revenue loss due to the drastic decline in ridership.

l. In response to slow recovery from the COVID-19 global pandemic, train service was increased to 22 weekday/18 weekend trains. \$13.5 m in federal CRRSA funding and \$13.5 m in federal ARPA funding helped to offset State Costs and supplement revenue loss due to the decline in ridership.

m. Operating costs were offset by federal COVID relief ARPA funding in the amount of \$4.3 m.

\*Numbers are an estimate until we receive Amtrak's Final Reconciliation for FY23.

## Appendix B

### CCJPA Capital Projects

Name	Description	Status	Funding Sources*	Secured Funds	Project Cost
South Bay Connect	Environmental, design, and construction to relocate Capitol Corridor service between Oakland Coliseum and Newark from Niles Subdivision to Coast Subdivision, which will decrease travel time between Oakland and San Jose and to improve connections to SF Peninsula.	Environmental/ Preliminary Engineering	<i>Measure BB, RM3, SRA, STIP, TIRCP</i>	\$ 198,463,000	\$ 349,422,000
Sacramento to Roseville Third Main Track Phase I	Construct first phase of third main track and lay over facility improvements in order to increase service frequency between Sacramento and Roseville.	Final Design	Prop 1A, Prop 1B, SRA, TIRCP, ITTP	\$ 213,990,000	\$ 228,990,000
California Integrated Travel Program (Cal ITP)	Develop a governance structure and approach for a system that allows for seamless statewide travel and fare purchase across multiple agencies and modes	MVP Design	TIRCP, PTA, CARB, CDT	\$ 40,960,000	\$ 51,960,000
Davis Station Signal Improvements	Improve the railroad signal system and replace track crossovers at Davis station to improve reliability and lifespan of the railroad infrastructure.	Pre-construction	Amtrak, PTA, SRA, UPRR	\$ 11,680,000	\$ 11,680,000
Agnew Siding	Design and construct 2,000' siding in the vicinity of the Santa Clara Great America Station	Pre-construction	SRA, Prop 1A	\$ 3,400,000	\$ 10,600,000
Steger Signal Improvements	Improvements to the railroad signal system in the vicinity of Richmond station which will result in improved reliability and better on-time performance.	Pre-construction	PTA, SRA, UPRR	\$ 6,470,000	\$ 6,470,000
California Passenger Information Display System (CalPIDS) Modernization	Design, test, and implement an improved passenger train arrival/alerts system all communication channels including station hardware, servers, data, and software.	Design	SRA, CCJPA Operating	\$ 2,300,000	\$ 5,000,000
Tap2Ride Contactless Payment Pilot	Payment hardware to support roll-out of contactless fare payments under CalITP	Procurement	CCJPA Operating	\$ 2,500,000	\$ 4,000,000
Network Integration	Support for Link21 and initial Carquinez Strait Crossing Study.	Ongoing	TIRCP	\$ 2,000,000	\$ 2,000,000
<b>Total</b>				<b>\$ 481,763,000</b>	<b>\$ 670,122,000</b>

\* Funding sources in italics require additional action to program

### CCJPA Ongoing Projects

Name	Description	Status	Funding Sources	FY23-24 Funds	FY23-24 Project Cost
Right of Way Safety and Security	ROW clean-up including vegetation removal, clean-up and encampment relocation (three-year program).	Ongoing	SRA	\$ 1,400,000	\$ 1,400,000
Link21	CCJPA annual contribution to Link21 (Second Transbay Crossing) studies.	Ongoing	SRA	\$ 1,500,000	\$ 1,500,000
Capitalized Maintenance	Track maintenance for State of Good Repair Program to maximize on-time performance (annual program).	Ongoing	Capitalized Maintenance	\$ 1,000,000	\$ 1,000,000
<b>Total</b>				<b>\$ 3,900,000</b>	<b>\$ 3,900,000</b>