



CAPITOL CORRIDOR

PERFORMANCE REPORT 2015

CAPITOL CORRIDOR
JOINT POWERS AUTHORITY

PERFORMANCE

Fiscal Year	Service Level	Ridership	Revenue	Revenue To Cost Ratio
FY 2015	30 Daily Trains*	1,474,873	\$30.0 Million	52%
FY 1998 (PRE CCJPA)	8 Daily Trains	463,000	\$6.3 Million	30%

17 Year
Improvement

275%

219%

380%

73%

*30 Daily Trains effective August 13, 2012



WELCOME ABOARD!

FY 2015 was a record-setting year for the Capitol Corridor, reaching historic records for ridership, revenues, and system operating (farebox) ratio. For FY 2015, ridership and revenues were up 3.9% at 1.48 million passengers, and 3.3% at \$30 million, respectively, over FY 2014. The FY 2015 farebox ratio of 52% was due to lower fuel prices, approximately 30% below budget, as well as revenues that were 5.3% above FY 2015 budget. The Capitol Corridor Joint Powers Authority (CCJPA) has steadily grown ridership while building a solid record of financial and operational success. In FY 1998, annual ridership was 463,000; 17 years later, ridership and revenue have tripled.

For the sixth year in a row, Capitol Corridor held the top spot for service reliability out of 47 Amtrak routes nationwide, with a FY 2015 On-Time Performance (OTP) record of 93%. The superior punctuality of the Capitol Corridor reflects UPRR's commitment to the precise dispatching of Capitol Corridor trains along a rail corridor shared with high-priority freight trains.

Capitol Corridor's FY 2015 customer satisfaction levels are high, with 87% of Capitol Corridor riders rating the services as being "Highly Satisfied." These results, rated through Amtrak's Customer Satisfaction Index, are now collected via electronic surveys sent to riders in real-time after they finish their train trip. These results place the Capitol Corridor #3 in Customer Satisfaction among Amtrak routes for FY 2015. Of note, Amtrak conductors received the highest rating (#1) in the Amtrak system, with a 92% "Highly Satisfied" rating by Capitol Corridor passengers. In addition, 90% of Capitol Corridor passengers were "Highly Satisfied" with the information provided before their trip via the CCJPA/BART Call Center, which is #2 in the Amtrak system.

Service remained at 30 daily train trips in FY 2015, which, compared to the initial eight daily train trips in FY 1998, delivers

an expanded level of choice to passengers along the route. These achievements were made possible by focusing on operational efficiency, safety and security; collaborative planning and partnerships; a commitment to superior customer service; and the adoption of new technologies to make the passenger experience safe, enjoyable and convenient.

OUR VISION

The CCJPA's priorities and guiding values are described in our Vision Statement. We exist to:

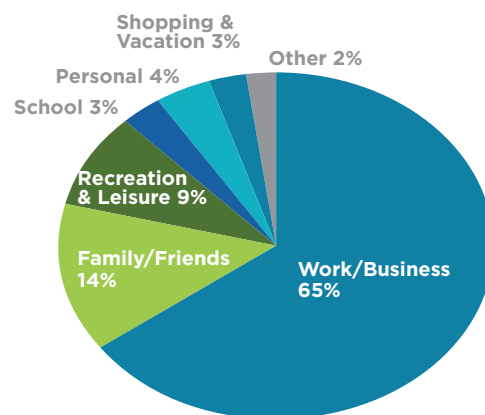
- Provide high-quality passenger rail and connecting bus service that is safe, frequent, reliable and affordable;
- Develop rail service as the preferred means of travel connecting the three Northern California metropolitan regions (Sacramento-San Francisco/Oakland-San Jose/Silicon Valley);
- Deliver cost-effective expansion of superior passenger rail service; and
- Build on constructive relationships with our partners: riders, local communities, National Railroad Passenger Corporation (Amtrak), Union Pacific Railroad (UPRR), Caltrain, and the State of California Department of Transportation (Caltrans).

SERVICE OVERVIEW

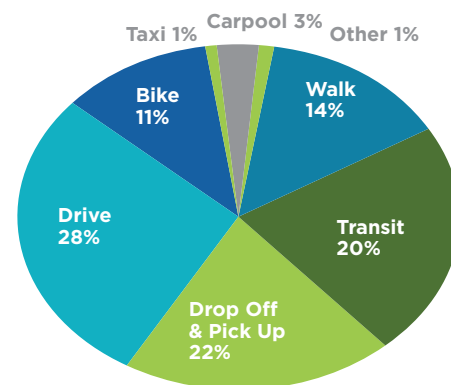
Capitol Corridor intercity trains operate along a 170-mile corridor between San Jose and Sacramento/Auburn with stops at 17 train stations and a bus connection to San Francisco. The Capitol Corridor route operates on tracks primarily owned and dispatched by UPRR, and a small two-mile segment in Silicon Valley owned by Caltrain. The CCJPA manages the service through an operating agreement with Amtrak.

Trains provide direct connections with 19 local public transit systems and five passenger rail or rail transit systems, including BART, VTA, ACE, Caltrain, Sacramento Regional Transit and Amtrak's

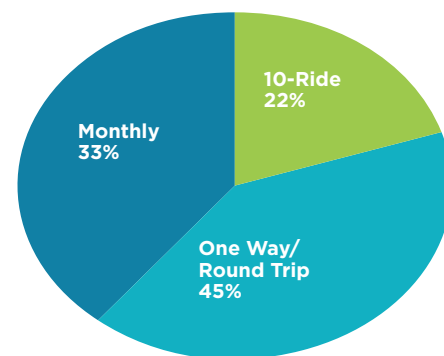
national train network. To supplement the train service, dedicated feeder bus and local transit routes serve communities south of San Jose (Santa Cruz, Monterey, Salinas, San Luis Obispo, Santa Barbara); north of Martinez (Vallejo, Napa, Santa Rosa, Eureka); and east of Sacramento (Truckee, Colfax, Reno, South Lake Tahoe). Together, these transit systems serve the second largest urban area in the western United States.



RIDER PROFILE FY 2015



TRAVEL-TO-STATION MODE FY 2015



TICKET TYPE FY 2015

WHERE WE'VE BEEN

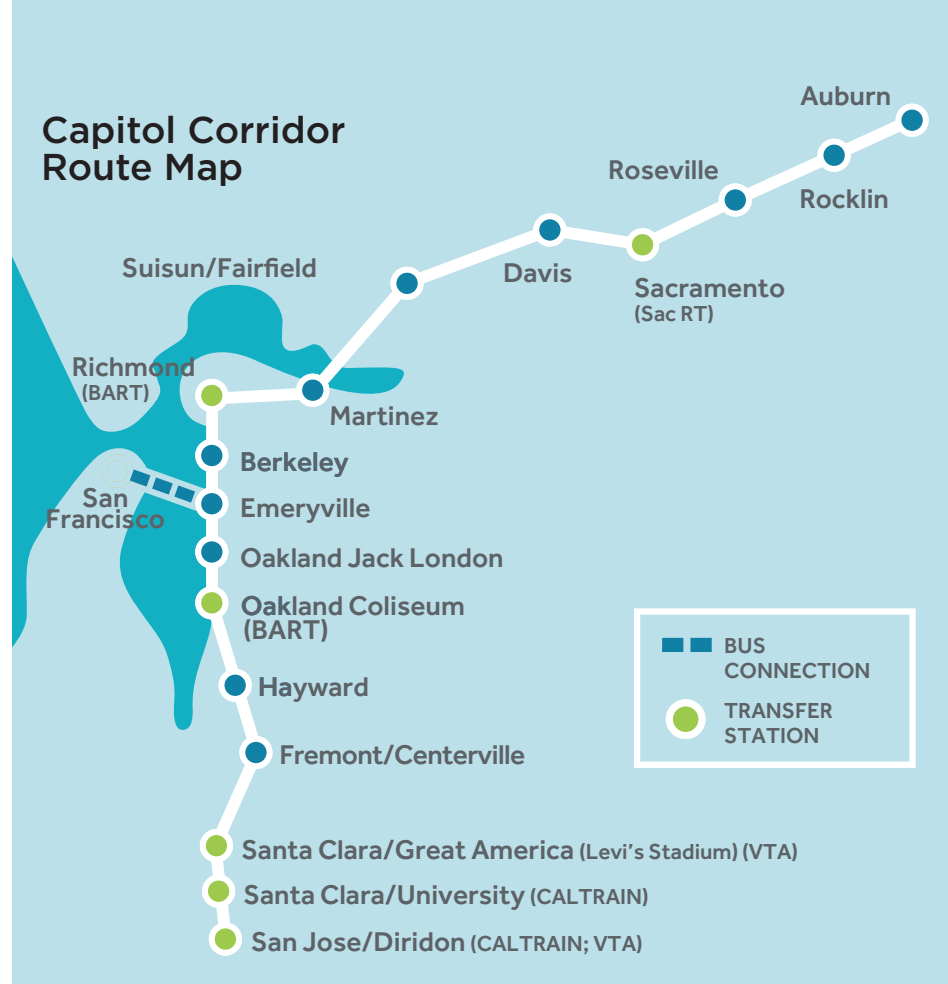
FY 2015 SERVICE PLAN HIGHLIGHTS

Despite limited state and local funding sources supporting intercity passenger rail, the CCJPA has successfully moved forward with several Capital Improvement Projects, including:

- Funded the completion of several state-of-good repair projects performed by Union Pacific Railroad that continued the high reliability of the Capitol Corridor trains.
- Developed, with Caltrans and Amtrak, the early phases of an On-Board Information System for deployment on all California Intercity Trains.
- Released the draft Environmental Impact Report for the proposed Sacramento-Roseville 3rd Track Project, which is set for adoption by the CCJPA Board in November 2015.
- Began the design and environmental process for a series of track capacity improvements between Oakland and San Jose to eventually increase service frequency.

EQUIPMENT

- Positive Train Control (PTC) Collision avoidance signal system – PTC equipment is now installed on all 17 locomotives and all 19 cab cars.
- Next Generation Engine Upgrade: older prime mover engines were overhauled and head-end power engines in the California locomotives are now all tier 4 cleaner-burning, more fuel efficient engines.



SAFETY & STATION UPGRADES

- Safety continued to be a major priority; employee injuries fell from 5 in FY 2014 to 1 in 2015, though passenger injuries increased from 8 to 12 for the same period. And unfortunately, trespasser fatalities rose from 14 to 18.
- Security Fencing – In 2015, approximately 2,000 feet of high-security fencing was installed along the Union Pacific Railroad's right-of-way to prevent theft and deter trespassing. Fencing was installed in Sacramento and Hayward areas.
- Security Cameras at Capitol Corridor Stations – With initial engineering design complete, installation will begin

for camera and surveillance equipment at the Auburn, Rocklin, Roseville, Suisun, and Fremont stations.

- Tunnel Improvements – In 2015, a project was undertaken to improve the safety and integrity of the tunnel located between Richmond and Martinez. Structural improvements were made to prevent rocks from falling from the roof of the tunnel, as had occasionally occurred in the past.

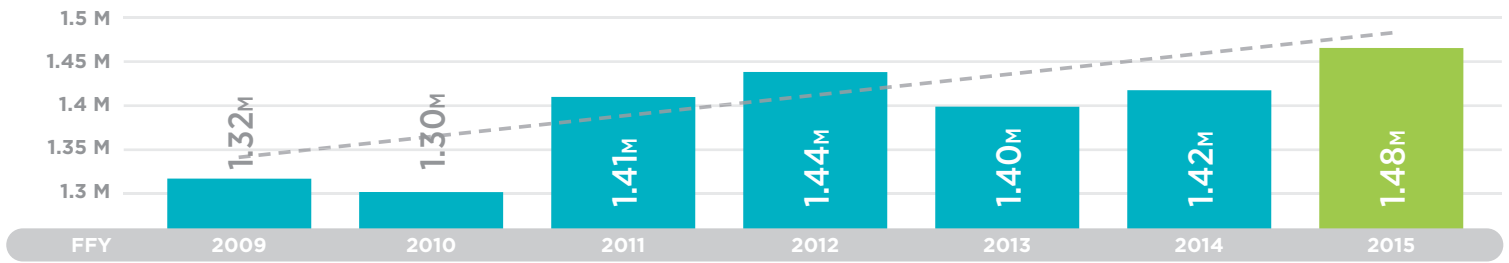
TECHNOLOGICAL IMPROVEMENTS

- Upgraded the on-board Wi-Fi service with wired connections made between train cars, leading toward better system performance.
- Implemented multi-ride ticket purchases on the Amtrak mobile app, increasing ticket sales via that channel by more than 100%.
- Coordinated with Amtrak to update the Capitol Corridor website's train status feature, and establish a real-time train status map using Transloc's technology for desktop and mobile users.
- Initiated discussions with Amtrak to establish a workplan for a WiFi landing page, which will include Capitol Corridor content and media for train information and other service offerings.

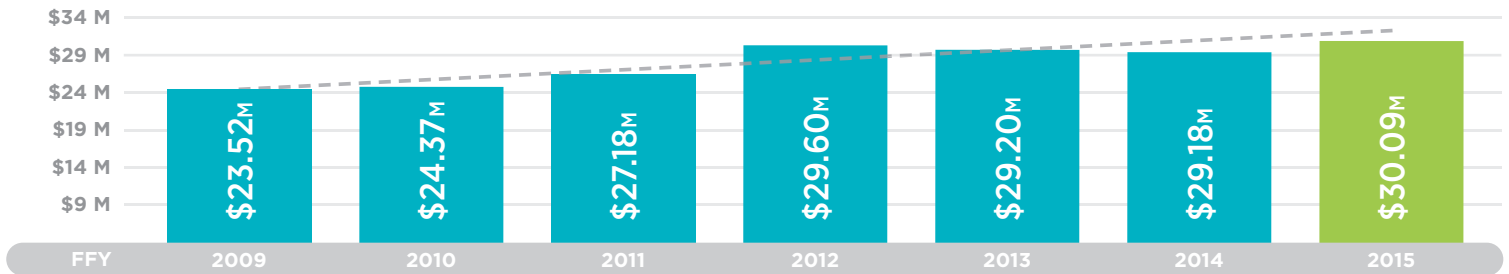
Fiscal Year	Service Level	Allocated Budget	Actual Costs	Improvement Reinvestment
Operating Budget (MILLIONS)				
FY 14-15	30 weekday 22 weekend	\$31.7	\$27.25 ^a	\$4.3 ^a
FY 15-16	30 weekday 22 weekend	\$31.7	\$0 ^a	\$0 ^a
Marketing Budget (MILLIONS)				
FY 14-15		\$1.1	\$1.1	n/a
FY 15-16		\$1.1	\$1.1	n/a

a: Projected

Ridership (IN MILLIONS) FY 09 and FY 12: Ridership adjusted to actual tickets collected based on e-ticketing reports



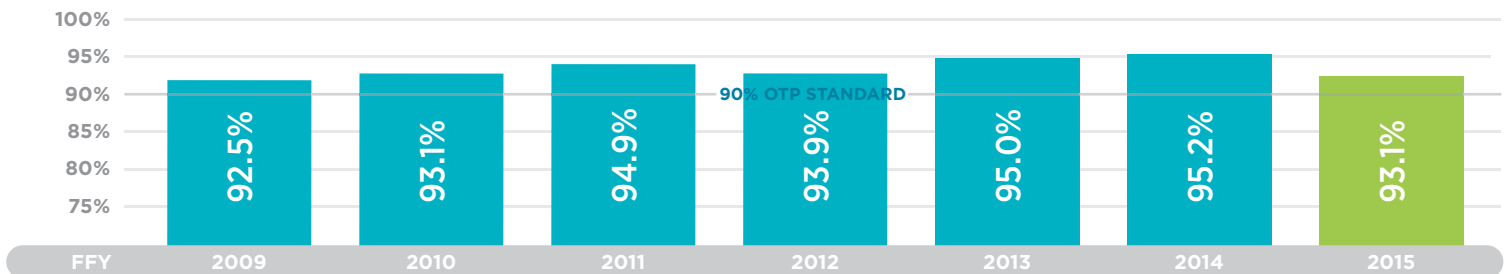
Revenue (IN MILLIONS)



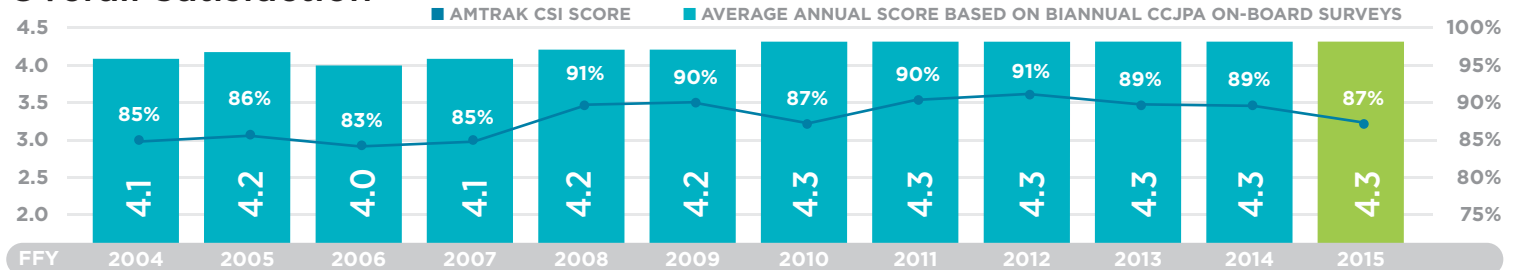
Farebox



On-Time Performance



Overall Satisfaction



Respondents were asked the question, "Considering both your station and on-board experience, how would you rate your overall experience?" Mean score is based on number giving a rating, eliminating not applicable, and blanks. The higher the mean the more positive the rating. Optimum positive mean score = 5.00. Lowest negative mean score possible = 1.00.

MARKETING & COMMUNICATIONS

In FY 2015, the CCJPA's marketing activities centered on increasing brand awareness of Capitol Corridor throughout the region, as well as encouraging off-peak ridership using discount offers and promotional partnerships.

- Continuation of the "Take 5 for \$5 each" offer for small groups on weekends, and the Seniors Ride Half Off Midweek offer to boost off peak ridership, with each bringing nearly 2,000 monthly riders on average for the duration of the offers.
- Debuted the Friends and Family 50% off discount, also targeted at small groups for every day of the week.
- Partnership with Disney on Ice brought high number of impressions via social media network, Facebook.
- Created a Rail Safety Video with Oakland A's mascot, Stomper, to promote rail safety messaging at baseball games and on social media channels.

WHERE WE'RE GOING

FY 2016 SERVICE PLAN HIGHLIGHTS

With limited new capital funds—and additional rolling stock not expected to arrive until 2017—the CCJPA will focus on maintaining the 30-train weekday (and 22-train weekend) service plan and improving service performance and reliability. Programs planned or underway will allow for the following improvements in FY 2016:

- Install bicycle lockers at most stations and initiation of the process to get folding bicycle rentals at selected stations;
- Test and implement better on-train bicycle storage systems to increase bicycle storage density;
- Complete project environmental review and design planning to support service expansions to Roseville, and commence design and environmental review for service increases between Oakland and San Jose; and

- Begin developing Adapting to Rising Tides vulnerability analysis for the Capitol Corridor service which will help guide long term capital investment and measures to make Capitol Corridor a viable long-term service;
- Security Cameras at Stations – Install security cameras at Auburn, Rocklin, Roseville, Suisun and Fremont stations;
- Standby Power at Auburn layover site – Construct a standby power system that will allow shutdown of the locomotive's diesel engines during overnight layover servicing, saving diesel fuel and reducing emissions; and
- Signage – Begin a program of upgrades to the safety and information signage at Capitol Corridor stations by installing a new standard information display sign system.
- Positive Train Control – While the deadline for installation of Positive Train Control was extended to 2018, the Capitol Corridor remains on track to have the necessary systems installed on all rail equipment by early 2016. Final implementation of this control system will await coordination with the Capitol Corridor's railroad partners - Union Pacific Railroad and Caltrain. Each of those partners is working hard to implement Positive Train Control, but have not yet announced a schedule for final implementation;
- Receive initial order of new Tier 4 locomotives that will reduce pollutants and improve fuel efficiency.

MARKETING & COMMUNICATIONS

Marketing and advertising plans for FY 2016 will continue to focus on social media marketing as a cost-effective and trackable means of increasing brand visibility and customer engagement. Partnerships coupled with traditional media like radio and television will promote the Capitol Corridor as a travel option. Promotional discounts will bolster ridership in key markets and during weekend/off-peak periods. Additional marketing endeavors may include:

- Targeted promotions to boost ridership on select segments with capacity, such as Auburn-Sacramento/Davis;



Our goal remains to improve the quality of life in the communities we serve by providing safe, convenient, affordable, reliable, and environmentally friendly passenger rail service.

- Joint promotional campaigns with local and promotional partners to leverage exposure across a variety of advertising channels and social media;
- Improvements in delivery of train status information to customers through a variety of channels, and transmission of Service Alerts across Twitter and other media.

THE 2016 LEGISLATIVE AGENDA

FY 2015 ACCOMPLISHMENTS

- The CCJPA has been working with the other California intercity passenger rail (IPR) agencies to raise awareness for continued and sustained investment in the state's intercity passenger rail program.
- State Legislature approved and the Governor enacted a \$126 million budget to support the operation of the three California IPR services, including the Capitol Corridor.



- The special session of the State Legislature called by Governor Brown earlier in the summer to address continuing deficits in transportation funding did not produce any legislative proposals. On September 5, the Governor released his proposal to provide \$3.6 billion for the state's transportation network that would be directed towards maintenance and repair of our state's existing transportation infrastructure. This proposal from the Governor includes \$879 million from loan repayments for various transportation projects; a one-time allocation of \$400 million would be directed to the Cap and Trade Transit/Intercity Rail Capital Program (TIRCP); and \$100 million in Cap and Trade funds for a new "complete streets" program. While the CCJPA supports this proposal, it has not yet been adopted by the Legislature. Efforts continue with interested agencies to include funds to supplement California transit and intercity passenger rail services as part of this discussions.

FY 2016 ACTION PLAN

The CCJPA will seek to leverage limited State and federal funds to advance projects that will create jobs, and expand and improve service that in turn will reduce vehicular congestion and corresponding greenhouse gas (GHG) emissions in the Northern California mega-region. The CCJPA will work with legislative, transportation and finance officials to:

- Ensure that the State transit funding levels continue to support the operation of the three California IPR corridors that conform to the requirements of Amtrak pricing methodology set forth in the Passenger Rail Improvement and Investment ACT (PRIIA) Section 209 Policy;
- Pursue and secure federal, State and other funds to finance the capital infrastructure investments to meet the CCJPA's goal for expanded train service to San Jose and Roseville/Auburn; and
- Seek funding to implement and complete projects to enhance system safety and security to protect employees, passengers and facilities, including Positive Train Control (PTC).

CLOSING MESSAGE

The ongoing success of the Capitol Corridor service is demonstrated by a high level of customer satisfaction and consistent overall growth in ridership and revenues over the past sixteen years. A steady base of frequent weekday and weekend riders continues to keep the Capitol Corridor as the third busiest route in the Amtrak system, thanks in large part to the high-quality, reliable, and customer-focused operation of the trains.

We continue to work on projects that will further enhance the safety and security of our trains, and ensure that we meet sustainability and clean air goals for the State of California.

Our goal remains to improve the quality of life in the communities we serve by providing safe, convenient, affordable, reliable, and environmentally friendly passenger rail service. We thank our partners, taxpayers and customers for the ongoing support of the Capitol Corridor intercity passenger rail service.

CAPITOL CORRIDOR JOINT POWERS AUTHORITY

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