

CAPITOL CORRIDOR

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



INTERCITY PASSENGER RAIL SERVICE
Business Plan Update
FY 2007-08 - FY 2008-09

Prepared by
Capitol Corridor Joint Powers Authority

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State of California
Business, Transportation and Housing Agency
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Executive Summary

Introduction. This Business Plan Update presents an overview of the Capitol Corridor Joint Powers Authority’s (CCJPA’s) strategic plan and funding request for the next two fiscal years (FY 2007-08 and FY 2008-09), to be submitted to the Secretary of the Business, Transportation and Housing Agency (BT&H) in April 2007. This Business Plan Update identifies the service and capital improvements that have contributed to the Capitol Corridor’s growth over the past eight years, and incorporates customer input as put forth in Chapter 263 of State Law.

In FY 2006-07, the CCJPA expanded service to 32 weekday trains between Sacramento and Oakland, and 14 daily trains between Oakland and San Jose. This significant milestone was accomplished with no increase in State funding.

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

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

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

History. The Capitol Corridor service began in December 1991 with six daily trains between San Jose and Sacramento. The CCJPA assumed management responsibility for the service in October 1998; since then it has grown to become the third busiest intercity passenger rail service in the nation. In April 2001, the CCJPA expanded service to 18 daily trains using six trainsets in the State-owned Northern California fleet (Capitol Corridor and San Joaquin services). In FY 2002-03, using seven trainsets and the same operating budget for 18 daily trains, service was increased three times to bring the frequency up to 24 weekday trains by April 2003. In August 2006, the CCJPA expanded service to 32 weekday trains between Sacramento and Oakland, and 14 daily trains between Oakland and San Jose, using the same train fleet as the 24-train service plan. Once again, this expansion was accomplished with no increase in State budget by reallocating funds and making cost-effective service changes.

Operating Plan. With the implementation of the August 2006 service expansion, the CCJPA has reached its capacity in terms of rolling stock and service frequency along the route. As such, it is expected that the annual allocation of operating funds from the State of California will support the current service plan for FY 2007-08 and FY 2008-09. Anticipated CCJPA operating plan and expenses are as follows:

Capitol Corridor Service	FY 2007-08	FY 2008-09
Sacramento – Oakland	32 weekday trains (22 weekend)	32 weekday trains (22 weekend)
Oakland – San Jose	14 daily trains	14 daily trains
Sacramento – Roseville	2 daily trains (with plans for up to 6)	2 daily trains (with plans for up to 6)
Roseville – Auburn	2 daily trains (with plans for up to 4)	2 daily trains (with plans for up to 4)
Total Budget (Operations, Marketing & Administration)	\$27,834,000	\$27,929,000

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

- Ridership grew 1.1% in FY 2005-06; to date, FY 2006-07 ridership is 10.2% above last year.

Capitol Corridor Service FY 2007-08–FY 2008-09 Business Plan Update (March 2007 Final)

- Revenue grew 5.5% during FY 2005-06; to date, FY 2006-07 revenue is up 17.5%.
- System operating ratio (a.k.a. farebox return) improved to 46% in FY 2005-06; to date, the FY 2006-07 operating ratio is 47%.
- On-time performance (OTP) slipped to 73% in FY 2005-06 due primarily to service disruptions and delays caused by weather, rail congestion, and track construction work; to date, FY 2006-07 OTP is a sub-standard 72.3%.

The table below summarizes the standards and results for FY 2005-06 and FY 2006-07 (through December 2006) as well as the standards for the next two fiscal years (see Appendix C):

Performance Standard	FY 05-06			FY 06-07			FY 07-08	FY 08-09
	Actual	Standard	Variance	Actual	Standard	Variance	Standard	Standard
Route Ridership	1,273,632	1,251,200	1.8%	568,904 (through 2/07)	609,300 (through 2/07)	(6.6%)	1,527,700	1,573,500
System Operating Ratio* (train and feeder bus)	46%	43%	2.9%	44.6% (through 2/07)	51%	(6.4%)	47%	48%
On-Time Performance	73%	90%	(17%)	68.3% (through 2/07)	90%	(21.7%)	90%	90%

* System operating ratio calculated by CCJPA

Capital Improvement Program. The CCJPA’s Capital Improvement Program (CIP) is consistent with the Regional Transportation Plans (RTPs) adopted by the San Francisco Bay Area Metropolitan Transportation Commission (MTC), the Sacramento Area Council of Governments (SACOG), Placer County Transportation Planning Agency (PCTPA), Caltrans’ 10-Year Statewide Rail Plan, and Amtrak’s Strategic Corridors Initiative. This CIP expands beyond the CCJPA’s investment of \$108 million in track and station projects that are completed,

With the passage of Propositions 1A and 1B in November 2006, the CCJPA will be eligible for new capital funding that will help address the recent decline in on-time performance due to limited track capacity and train congestion.

currently underway or programmed. Elements of this CIP include projects to improve reliability, increase capacity, upgrade track infrastructure, build or renovate stations, add rolling stock, reduce travel times, and enhance passenger safety, security, and amenities. Indirect benefits include reduced congestion, improved air quality, reduced greenhouse gas emissions for Northern California, and increased movement of goods and services on the shared freight rail corridor.

Limited 2006 State Transportation Improvement Program (STIP) funds as well as the passage of Propositions 1A and 1B will provide capital funding to the CCJPA. These funds will help address the track capacity limitations that continue to affect on-time performance, and allow the acquisition of new rolling stock which will provide additional seating to maximize the potential of the August 2006 service expansion.

Marketing Strategies. The CCJPA’s marketing strategies for FY 2007-08 and FY 2008-09 will focus on directives set forth in the updated Vision Plan to enhance awareness of the Capitol Corridor brand. Marketing programs and campaigns will target markets where we have available seating capacity, improve transit connections, leverage strategic partnerships, and enhance customer service and amenities to attract and retain loyal riders.

Action Plan. The CCJPA’s Business Plan for the service will focus on improving the passenger experience to attract and retain loyal, frequent riders. The number one priority is improved reliability, followed by enhanced convenience and security measures such as improved ticket vending machines; an on-board Automated Ticket Validation (ATV) pilot program; on-board wireless internet access for passenger and operational applications; and security cameras on trains and at stations. This annual Business Plan Update outlines steps to deliver a cost-effective Capitol Corridor service while increasing ridership, revenue, and customer satisfaction through its partnerships with passengers, local communities, UPRR, Amtrak, and the State of California.

1. Introduction

This Business Plan Update modifies the Capitol Corridor Joint Powers Authority's (CCJPA's) Business Plan Update submitted to the Secretary of the Business, Transportation and Housing Agency (BT&H) each April. The CCJPA's goal is to maintain Capitol Corridor service levels at 32 weekday (22 weekend) trains between Sacramento and Oakland, and 14 daily trains between Oakland and San Jose in FY 2007-08 and 2008-09. This Business Plan Update identifies the service and capital improvements that have contributed to the Capitol Corridor's growth over the past eight years. It also incorporates customer input as put forth in Chapter 263 of State Law that allowed for the transfer of the Capitol Corridor service to the CCJPA on July 1, 1998.

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

The CCJPA's goal is to maintain Capitol Corridor service levels at 32 weekday trains between Sacramento and Oakland, and 14 daily trains between Oakland and San Jose in FY 2007-08 and 2008-09.

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

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

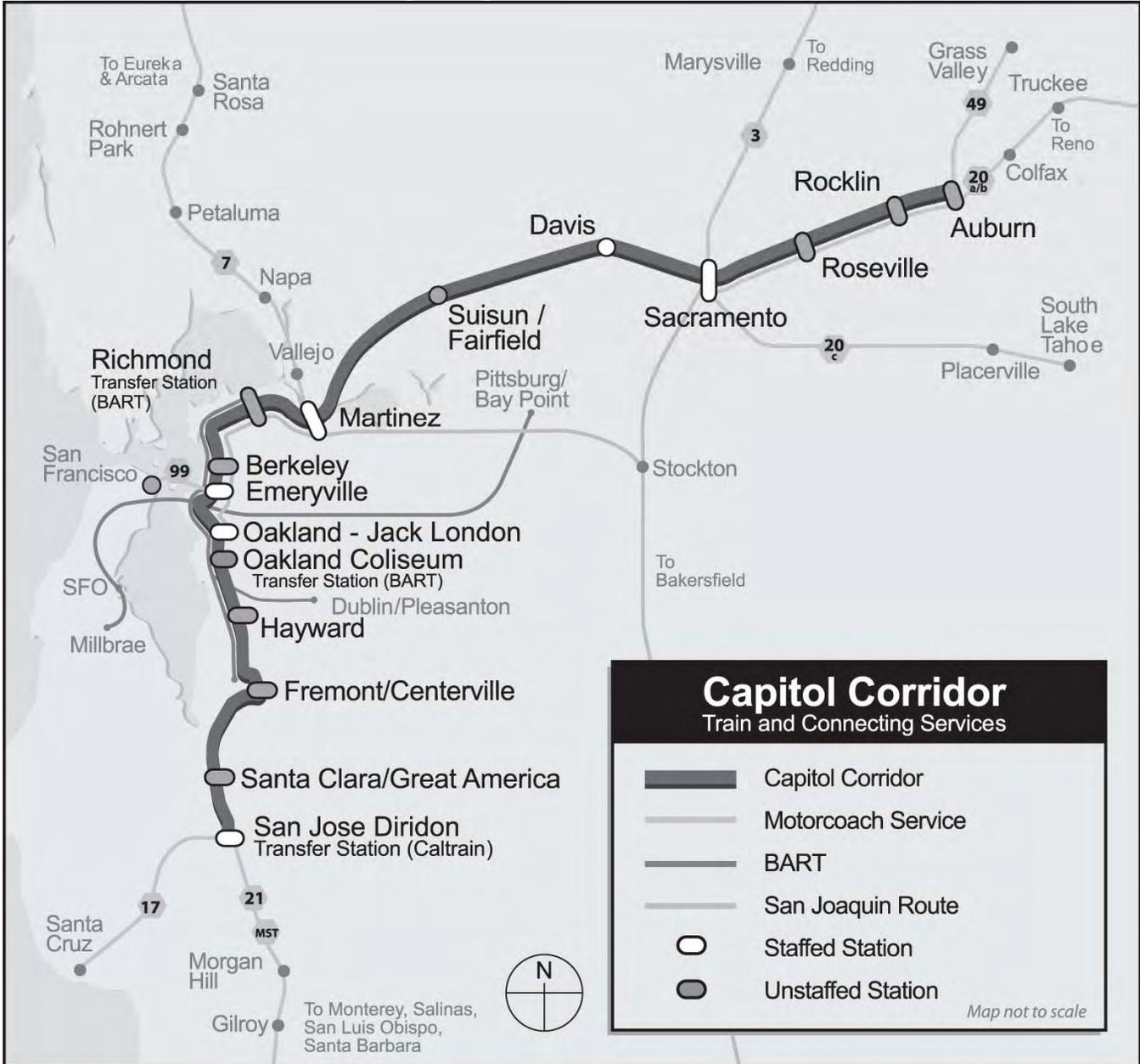
Ex-officio members of the CCJPA include the Metropolitan Transportation Commission (MTC) and the Sacramento Area Council of Governments (SACOG), the Metropolitan Planning Organizations (MPOs) along the route.

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

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

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

Figure 1-1
Map of Capitol Corridor Service Area



In April 2005 the CCJPA updated its Vision Plan, which identifies both short-term and long-term goals to guide the operating and capital development plans of the Capitol Corridor over the next 5 to 20 years. The April 2005 update has been incorporated into this Business Plan.

2. Historical Performance of the Service

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

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

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

3. Operating Plan and Strategies

The CCJPA aims to meet the travel and transportation needs of Northern Californians by providing safe, frequent, reliable, and environmentally friendly Capitol Corridor intercity train service. In response to growing demand, the CCJPA expanded service in October 2002, January

Along with improved cost efficiency, the Capitol Corridor continues to sustain ridership growth, which has increased 175% over the past eight years.

2003, and April 2003 to achieve a schedule of 24 weekday trains between Sacramento and Oakland, using the same State budget allocated for 18 daily trains. In August 2006, once again with a flat budget allocation, the CCJPA increased service to 32 weekday (22 weekend) trains between Sacramento and Oakland, and 14 daily trains between Oakland and San Jose. This expansion was made possible with the completion of Phase 1 of the Oakland to San Jose track improvements and the Yolo Causeway second main track (completed in February 2004). Together, these projects also contributed to a 10-minute

reduction in travel time between Sacramento and Oakland. These improvements allowed the Capitol Corridor to sustain its ridership growth, which has nearly tripled over the past eight years. The August 2006 service expansion also represents a major step toward the CCJPA's goal of providing hourly train service, which will require additional rolling stock and further track capacity improvements (see Section 7).

To supplement the train service, the Capitol Corridor provides dedicated motorcoach bus connections to communities south of San Jose and east of Sacramento. In addition, the CCJPA works with its partners and local transit agencies to offer expanded options for transit connections throughout the corridor. Currently, the train service connects with the BART rapid transit system at the Richmond and Oakland Coliseum stations; with Caltrain service (Gilroy – San Jose – San Francisco) at San Jose Diridon station; with the Altamont Commuter Express service (Stockton – Livermore – San Jose) at the Fremont/Centerville, Great America/Santa Clara, and San Jose Diridon stations; with VTA light rail at Great America and San Jose Diridon stations; and with Sac RT light rail at Sacramento station (as of December 2006). Together with these local transit systems, the Capitol Corridor covers the second largest urban service area in the Western United States.

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

New partnerships with Gold Country Stage, Monterey-Salinas Transit, and Santa Cruz Metro have expanded transportation choices even further. In August 2006, the CCJPA added Monterey-Salinas Transit (MST) Route 55 (San Jose – Gilroy – Monterey) as a CCJPA-supported, local

transit service to reintroduce connecting bus service between Monterey and San Jose, with stops in Gilroy and Morgan Hill supported by Santa Clara VTA.

However, some motorcoach bus routes operating between Sacramento and Reno and South Lake Tahoe have been scaled back due to a combination of low usage and high costs. The CCJPA will continue to explore ways to preserve these routes within budget constraints.

Further expansion of the Capitol Corridor service depends on the acquisition of additional rolling stock and track capacity improvements along the Union Pacific Railroad.

FY 2006-07. The CCJPA's train operating plan for the current fiscal year is as follows:

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

FY 2007-08. The CCJPA's operating plan for FY 2007-08 will maintain at least the same service levels as FY 2006-07.

FY 2008-09. The CCJPA's operating plan for FY 2008-09 will remain the same as for FY 2007-08. Further expansion of the Capitol Corridor service depends on the acquisition of additional rolling stock. Design plans for expansion of the Northern California fleet (which includes San Joaquin Corridor trains) are nearly complete which will allow the addition of cars and coaches to existing trainsets to ease overcrowding. The new rolling stock is expected to be delivered within the next three to four years once a manufacturer has been selected. However, actual procurement is contingent upon State funding that has not yet been secured as of this writing.

4. Short-Term and Long-Term Capital Improvement Programs

The CCJPA has developed a Capital Improvement Program (CIP) in partnership with the UPRR, Amtrak, and the State of California, which will be used to steadily improve the Capitol Corridor's reliability, travel times, and on-time performance. The CIP includes projects that have been completed or are currently underway. Since the inception of the Capitol Corridor service, over \$736 million from a mixture of funding sources has been invested to build and renovate stations, upgrade track and signal systems for added trains, and construct train maintenance and layover/storage facilities. A list of CIP projects that have been completed or are currently underway is included in Appendix B.

The CIP aims to increase train reliability while reducing travel times by investing in projects designed to improve the conditions caused by growing freight and passenger rail traffic. The primary funding sources for capital projects have been and will continue to be the State general obligation bonds (Propositions 108, 116, 1A, and 1B) and the State Transportation Improvement Program (STIP), a biennial transportation funding program. Special programs or direct project allocations from the State, such as the Traffic Congestion Relief Program (TCRP), or regional funds, such as Bay Area Regional Measure 2 (RM-2), have periodically supplemented these sources.

The CCJPA has secured \$108 million for projects that are either recently completed, currently underway, or have funding committed to them. The direct benefits of these projects include recently added Capitol Corridor trains, a modest improvement in on-time performance, reduced travel times, and enhanced passenger amenities. Indirect benefits of the CIP include reduced congestion, improved air quality, and increased capacity for the movement of goods and services on the shared freight rail corridor. Table 4-1 provides a summary and status report on these projects.

**Table 4-1
Projects with Secured Funding in the Capitol Corridor**

Projects Underway	Budget (\$M)	Status
Yolo Causeway Double Track: Add 6 miles of second main line track over Yolo Bypass flood channel. Project eliminated single largest rail bottleneck in corridor and has improved reliability and reduced travel time between Oakland and Sacramento	\$16.75	Construction complete
Oakland Jack London – Elmhurst Track Improvements: Install central traffic control signaling system to increase speeds and add track and bridges to support the Oakland Coliseum Intermodal Station	\$14.22	Construction complete
Track Upgrades in Berkeley, Emeryville, Hayward, Fairfield, and Santa Clara/San Jose: Various projects that upgrade track conditions to improve reliability and passenger safety	\$1.45	Construction complete
CP Coast Double Track: Add second main line track through UPRR/Caltrain junction to add capacity for Capitol Corridor and freight trains	\$21.82	Construction complete
Newark Siding Extension Double Track: Extend and upgrade siding to main line standards to add trains to San Jose	\$21.60	Construction complete
CCJPA Security Improvement Program Phase 1: Create secure layover facilities at Auburn and Sacramento with lighting, cameras, fencing, and security personnel. Provide emergency solar-powered cellular call boxes at selected unstaffed stations	\$0.33	Construction complete
Richmond Intermediate Signal: Install an intermediate signal and associated equipment south of the Richmond Intermodal Station to allow passenger trains to operate at faster speeds between Berkeley and Richmond	\$0.28	Construction complete
Great America Intermediate Signal: Install an intermediate signal and associated equipment to allow faster speeds between San Jose and Great America/Santa Clara	\$0.33	Construction complete
Automated Ticket Validation Program: Introduce handheld computer units that automatically perform ticket validation and sales on Capitol Corridor trains. Conductors will be provided with units on the Capitol Corridor trains as a pilot program in partnership with Amtrak, Caltrans, and federal law enforcement agencies	\$0.75	Design plans complete. Testing of first phase scheduled for Summer 2007
Outdoor Ticket Vending Machines: Addition of outdoor ticket vending machines at all stations	\$0.39	Design plans complete. Installation scheduled for Spring 2007
On Board Security Cameras: Purchase and install wi-fi enabled security cameras on all 92 vehicles in the Northern California intercity passenger rail fleet	\$0.67	Cameras purchased in Fall 2006. Installation to be phased in during FY 2007-08
Subtotal – Projects Underway	\$78.59	
Committed Programming		
Sacramento – Roseville Track Improvements: Add track and related infrastructure between Sacramento and UPRR’s Roseville Yard, for near-term expansion of Capitol Corridor trains to Roseville and Auburn	\$6.53	Design plans under review
Capitalized Track Maintenance Project: Replace track frogs with a more durable design to allow more reliable track performance and better overall on-time performance	\$2.00	Funded construction project using CCJPA’s 2006 STIP allocation
San Jose 4th Track Phase 1: Add 4th main line track between Santa Clara and San Jose to accommodate more Caltrain, ACE, and Capitol Corridor trains	\$20.60	Design plans 75% complete; construction dependent upon anticipated allocations in 2007 and 2008
Subtotal – Committed Programming	\$29.13	
TOTAL SECURED FUNDING	\$107.72	

Recent Station Improvements

- In Rocklin, construction of the new station building was completed by the City of Rocklin.
- In Sacramento, a new bus turnaround was constructed in conjunction with the extension of Sac RT light rail service to the station in December 2006. A city satellite-parking garage was made available with reduced parking rates for frequent train riders.

Short-Term Capital Improvements (FY 2007-08)

The 2006 STIP program provided a lower level of funding than the CCJPA had anticipated. As a result, only one project – a \$2 million capitalized track maintenance program – could be funded. The funding outlook for the 2008 STIP is unclear but it could be more extensive due to the passage of Proposition 1A in November 2006. Proposition 1A closes a loophole in Proposition 42 that allowed the State to divert funds originally reserved for transportation projects to other

areas to balance the budget. This corrective step should help fulfill the original intent of Proposition 42, which was to provide added funding support to the bi-annual STIP. However, the current proposed FY 2007-08 State Budget would divert virtually all of these added funds to school bus transportation (previously financed through the State’s General Fund) and debt service on the highway bonds. The CCJPA will not know the outcome of near-term capital investment funds for the Capitol Corridor until the State Budget is adopted and signed by the Governor of California.

The most significant potential capital funding source for the next several years is the Proposition 1B State Transportation Bond measure approved by voters in November 2006. This bond measure includes several sub-components that could enhance various aspects of the Capitol Corridor service, such as \$400 million in capital funds for California’s Intercity Rail program. Of this amount, at least \$125 million is set aside for additional rolling stock for the Capitol Corridor,

San Joaquin, and Pacific Surfliner services. Caltrans anticipates that at least 24 new coaches, cab/baggage cars, and café/diner cars would be purchased for the shared Northern California fleet (Capitol Corridor and San Joaquin services), with an additional 12 cars assigned to the Pacific Surfliner service. The remainder of the Intercity Rail fund account is expected to be used to support track improvement projects on the three State Intercity Rail Corridors.

The passage of Proposition 1A, coupled with the prior passage of Proposition 42, was meant to ensure that STIP remains the backbone of long-term CIP funds for the Capitol Corridor. Realization of this goal depends on the outcome of the 2007-08 State Budget process now underway.

Also identified in the voter-approved bond are funds for Trade Corridor/ Goods Movement, which are meant to be combined with a matching source of non-State funds to pursue track capacity enhancement projects in corridors that benefit the movement of goods via freight rail. The Capitol Corridor is a prime candidate for this type of investment as the UPRR tracks along the Capitol Corridor route are considered part of the Central Corridor, which connects Chicago with the Port of Oakland and points in between. Currently, the CCJPA is working with the UPRR and the Port of Oakland to identify and develop funding plans for these Trade Corridor improvements. Overall, the programming of each component of Proposition 1B depends on the State determining the bond capacity and sub-program allocations for each fiscal year. Once that step is complete, the California Transportation Commission can approve funding allocations to individual projects within the program.

The Capitol Corridor also has access to capital funds from local sources such as Bay Area Regional Measure 2 (RM-2), passed in March 2004, which approved a \$1 toll increase on State-owned Bay Area bridges. Over the next two to four years, the CCJPA will receive or share as a project partner funding allocations from RM-2 for several projects:

- Bahia – Benicia Track Upgrade, on which the CCJPA is the lead agency
- Fairfield/Vacaville station, in collaboration with the Solano Transportation Authority
- Dumbarton Rail commuter rail service (Union City/Fremont – SF Peninsula), in collaboration with a team led by the Peninsula Corridor Joint Powers Board

The Capitol Corridor Board of Directors recently adopted a preliminary program of capital projects that will add track capacity to improve reliability, reduce travel times, and expand service (pending UPRR negotiation and approval) along the corridor (see Table 4-2). The CCJPA is working with Caltrans, regional agencies, and the UPRR to identify those projects that can be implemented within the next two to five years and can provide immediate benefits such as increased seating capacity, improved reliability, reduced travel times, and additional trains to San Jose and Placer County.

**Table 4-2
CCJPA Board Adopted Program of Capital Improvements**

Project Description/Benefits	Project Sponsor	Total Costs (\$M)	I-Bond Request	Local Match	Local/ Other Source	Potential Prop 1B Funding Sources
CCJPA-Sponsored Projects						
Bahia Crossover Project: Universal crossovers to minimize train meets and improve reliability. Design plans are 75% complete	CCJPA	\$7.50	\$4.75	\$2.75	RM-2	Trade Corridor; STIP Augment; Transport. Mod./Intercity Rail
Emeryville Station and Track Improvements: Construct platform and track improvements for parallel moves at the north and south approaches of the station and improve freight rail access into/out of Port of Oakland. Design plans are 90% complete	CCJPA	\$8.00	\$8.00	--		Trade Corridor; STIP Augment; Transport. Mod./Intercity Rail
Dumbarton Rail Project/Union City Intermodal Station: In conjunction with Dumbarton Rail project, support Union City Intermodal Station improvements and associated track improvements to allow Capitol Corridor trains to serve the BART station plus reduce travel times and improve reliability. Design plans are 30% complete. Financing plan to resolve funding gap is under discussion/development	Caltrain/ CCJPA	TBD	\$39.00	TBD	RM-2, ITIP, RTIP, local	Trade Corridor; STIP Augment; Local Partnership; Transport. Mod./ Intercity Rail
Yolo Causeway Crossovers: West causeway high-speed universal crossovers to minimize train meets and improve reliability. Design plans are 64% complete	CCJPA	\$6.00	\$6.00	--		Trade Corridor; STIP Augment; Transport. Mod./Intercity Rail
CP Coast – Great America Double Track Project: Extend 2nd main track from south Santa Clara to Great America Station to allow for added Capitol Corridor trains, reduce travel times, serve Caltrain Downtown Santa Clara Station, and improve reliability. Design plans are 65% complete. Project is included in Governor’s Strategic Growth Plan (SGP)	CCJPA/ ACE	\$27.00	\$14.50	\$12.50	ACE/ San Joaquin County	Trade Corridor; STIP Augment; Transport. Mod./Intercity Rail
Sacramento – Placer County 3rd Main Track Project: Prepare design plans and environmental documents for 3rd main track between Sacramento and Placer County (Roseville/Rocklin) to allow additional trains east of Sacramento, improve reliability, reduce travel times, and improve goods movement	CCJPA	\$11.80	\$5.00	\$6.80	STIP (RTIP/ IIP)	Trade Corridor; STIP Augment; Local Partnership; Transport. Mod./ Intercity Rail
Sacramento Station New Platform and Grade Separation Access: In partnership with the private developer of the UPRR Railyard Project, finance share of improvements to support new grade-separated platforms and track infrastructure as part UPRR’s relocation of main line tracks. Benefits include improved passenger access, upgraded facility to meet existing and future ridership needs, improved reliability, and expedited goods movement	Amtrak	\$33.40	\$12.00	\$21.40	Private Develop -ment	Trade Corridor; STIP Augment; Local Partnership; Transport. Mod./ Intercity Rail
Wireless Internet for Fleet: Install wireless internet networks (including camera systems) at stations/facilities and/or on all Northern California rail fleet in connection with installation of internet service for customers on Capitol Corridor and San Joaquin services. Project will also provide improved operational efficiencies and upgraded safety and security measures	CCJPA	\$3.00	\$1.50	\$1.50	Caltrans	Transit System Safety/Security; Transport. Mod./ Intercity Rail
Martinez – Sacramento Operational Improvements: Add universal crossovers at various locations to allow faster trains to pass slower trains, and construct sidings/portions of 3rd and 4th main tracks to increase capacity	CCJPA	\$50.00	\$25.00	\$25.00	Federal, other	Trade Corridor; STIP Augment; Transport. Mod./Intercity Rail
Martinez – Ozol Yard Improvements: As part of project to add tracks between Oakland and Pinole (see below), improve access to Martinez Station by upgrading track infrastructure at UPRR’s Ozol Yard. Benefits include improved reliability, reduced travel times, and improved goods movement	CCJPA	\$13.00	\$6.00	\$7.00	Federal, other	Trade Corridor; STIP Augment; Transport. Mod./Intercity Rail
SUBTOTAL – CCJPA Requested Projects		\$259.70	\$121.75	\$76.95		
Projects Sponsored by Others						
Intercity Rail Rolling Stock: In conjunction with Caltrans, purchase additional rolling stock for the Capitol Corridor, San Joaquin, and Pacific Surfliner services. Equipment types include coaches, cab/baggage cars, café/diner cars, and locomotives. The rolling stock will be used to ease overcrowding on existing trains and meet projected ridership demand associated with service expansion and extensions	Caltrans	\$150.00	\$150.00	--		Transport. Mod./ Intercity Rail
Oakland – Pinole 3rd/4th Track Project: In conjunction with Port of Oakland, extend improvements from the Emeryville Station and Track Improvements to reactivate 3rd and 4th tracks north to Richmond and continue 3rd track towards Pinole. Added capacity will allow more freight trains to serve the Port of Oakland. Conceptual design plans and base computer simulation network completed	Port of Oakland	\$70.00	\$35.00	\$35.00	Port User fees	Trade Corridor; STIP Augment; Transport. Mod./Intercity Rail
SUBTOTAL – Non-CCJPA Requested Projects in Capitol Corridor		\$220.00	\$185.00	\$35.00		
TOTAL – Capitol Corridor Projects		\$479.70	\$306.75	\$111.95		

Long-Term Capital Improvements (FY 2008-09 and Beyond)

On a long-term basis, the STIP should be a steady source of CIP funding, especially with the passage of Proposition 1A, which restricts the State’s ability to borrow against transportation funds earmarked by Proposition 42 several years ago. However, based on the current proposed State Budget, this may or may not be the case. Additional State propositions or local/regional measures may supplement or replace available funding, although this is more likely to occur after the most recent bond and tax measure funds are exhausted. Aside from these measures, the STIP is the most reliable source of long-term CIP funds as outlined in the CCJPA’s Vision Plan

and supported by Caltrans’ 10-Year Statewide Rail Plan and Amtrak’s Strategic Corridors Initiative. Having available funds in the STIP is the key to making the program work.

The CCJPA plans to work with Amtrak and Caltrans to leverage the \$108 million CIP to secure federal funding, in the event that a federal capital matching program for intercity passenger rail services is established.

Funding at the federal level, as of this writing, has never been provided for State-supported intercity passenger rail services. However, there are several federal legislative proposals that seek to create a federal capital funding program for passenger rail service that would match state-provided funds (separate from any Amtrak capital funding for Amtrak-owned infrastructure). The CCJPA is making plans to work with Amtrak and Caltrans to use the roughly \$108 million CIP plus any future capital funding allocations to

leverage federal funding in the event that a federal capital matching program is established. Assuming an 80/20 federal/state split, the CCJPA could receive over \$350 million in federal funds, which would be invested to finance numerous long-term CIP projects listed in Table 4-3. These projects support the CCJPA’s service expansion plans aimed at improving service reliability, reducing travel times, upgrading track infrastructure, and improving passenger amenities.

The CIP is consistent with the Regional Transportation Plans (RTPs) adopted by the San Francisco Bay Area Metropolitan Transportation Commission (MTC), the Sacramento Area Council of Governments (SACOG), Placer County Transportation Planning Agency (PCTPA), Caltrans’ 10-Year Statewide Rail Plan, and Amtrak’s Strategic Corridors Initiative. Each RTP includes a list of anticipated projects and cost estimates for a 25-year planning horizon. When possible, the CCJPA will share costs and coordinate with other rail and transit services on station and track projects. The projects that comprise the long-term CIP include those funded by multiple entities and those that the CCJPA will fund alone.

A significant long-term project is the expansion of the Capitol Corridor service beyond Auburn to the Reno/Sparks area in Northern Nevada. The CCJPA, Caltrans, and the Nevada Department of Transportation have begun evaluating the necessary capital improvements as well as operational needs for this project, and initiated discussions with the UPRR, the owner of the right-of-way, to determine feasibility and to plan any such service in cooperation and coordination with other railroad and public investments along this route (see Section 11).

**Table 4-3
Long-Term Capital Improvement Categories**

Project Description	Total Cost (\$M)	CCJPA Share	Match Share	Match Source
Rolling Stock				
Rolling Stock: Purchase of Rolling Stock to allow for service extensions and expansions (3 trainsets)	\$50.00	\$0.00	\$50.00	
Projected Capital Expenditures				
Elmhurst – Union City 2nd Track: Add 2nd track between Elmhurst and Industrial Parkway (Union City) to allow for up to 16 roundtrips between Oakland and San Jose (also supports Dumbarton Rail)	\$15.00	\$15.00	--	
Sacramento – Placer County 3rd Main Track: Construct 3rd main track between Sacramento and Placer County (Roseville/Rocklin) to allow additional trains east of Sacramento, improve reliability, reduce travel times, and improve goods movement	\$60.00	\$30.00	\$30.00	RTIP
Grade Crossing Projects and Safety Match Program: Implement High Street, Davis Street, and Hesperian Street grade separation projects utilizing a variety of funding sources. Also maintain CCJPA match for other grade crossing improvement projects	\$60.00	\$20.00	\$40.00	Grade sep. funds, local, State, Fed
Davis Station Platform Rebuild or New Station: Create a new island platform between the two main tracks with grade separated access which will eliminate the holdout rule which currently delays passenger and freight trains; OR build a new location for the main Davis Station near the Mondavi Center	\$20.00	\$5.00	\$15.00	
Fairfield/Suisun Platform Rebuild: Create a new island platform between the two main tracks with grade separated access which will eliminate the holdout rule which currently delays passenger and freight trains	\$16.00	\$4.00	\$12.00	
Car Marker @ Stations Program: Create a standardized car marker system at all stations and platforms so that trains can consistently be spotted which will allow for more rapid boarding and improved travel times	\$2.00	\$2.00	--	
Martinez Parking Expansion: Expand parking on the northwest side of the station and connect with the pedestrian overpass planned to extend from the existing station	\$17.40	\$10.50	\$6.90	Contra Costa Sales Tax
New Swanston Sacramento Station: Establish a new station at Swanston (with additional Sac RT connections) and add an additional UPRR main track between Hagen and Swanston with a layover yard	\$20.00	\$8.00	\$12.00	
Reno Rail Extension: Extend Capitol Corridor service to Reno with stops in between. Purchase new rolling stock; upgrade tracks and stations as needed	\$120.00	\$60.00	\$60.00	Mix of funding sources not identified
Dedicated Track Improvement Program: Establish a dedicated UPRR work team for the Capitol Corridor that would conduct the track improvement program	\$10.00	\$5.00	\$5.00	UPRR
Embarcadero 3rd Main Track: Construct a 3rd main track in the Oakland Jack London Embarcadero area which will ease congestion of freight and passenger rail trains between the Oakland Yard and Oakland Jack London Square Station	\$15.00	\$3.00	\$12.00	Port of Oakland, UPRR
TOTAL	\$405.40	\$162.50	\$242.90	

5. Performance Standards and Action Plan

As guided by its Vision Plan, the CCJPA’s management of the Capitol Corridor service will take a business model approach with an emphasis on delivering reliable, customer-focused, cost-effective train service designed to sustain growth in ridership and revenue. Over the past eight years, ridership has continued to grow by increasing demand along the congested I-80/I-680/

I-880 highway corridors and by providing a high-quality public transportation service that is competitive in terms of frequency, travel time, reliability, and price.

The Capitol Corridor's ridership growth benefits the environment by reducing air pollution and greenhouse gas emissions. For the ridership figure shown in Table 5-1 for FY 2008, the Capitol Corridor is expected to generate 105 million passenger miles. This represents 81 million miles in estimated vehicle miles traveled (VMT) savings to Northern California highways. In California, approximately 58% of greenhouse gas emissions come from the transportation sector. For FY 2008, the availability of the Capitol Corridor train service will save roughly 31 million tons of CO₂ from entering the atmosphere. In addition, the State-owned fleet of locomotives is regularly being retrofitted or already meets federal emission standards, and steps are constantly being evaluated to reduce emissions and increase fuel efficiency.

The Capitol Corridor's ridership growth benefits the environment by reducing air pollution and greenhouse gas emissions. For FY 2008, the Capitol Corridor is expected to generate a savings of 81 million vehicle miles traveled (VMT).

In partnership with the State and Amtrak, the CCJPA develops performance standards for the Capitol Corridor service that measure usage (ridership), cost efficiency (system operating ratio), and reliability (on-time performance). Table 5-1 summarizes the standards and results for FY

2005-06 and FY 2006-07 (through January 2007) as well as the standards for the next two fiscal years. Appendix C shows the measures used to develop standards for two additional years through FY 2010-11.

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

Performance Standard	FY 05-06			FY 06-07			FY 07-08	FY 08-09
	Actual	Standard	Variance	Actual	Standard	Variance	Standard	Standard
Route Ridership	1,273,632	1,251,200	1.8%	568,904 (through 2/07)	609,300 (through 2/07)	(6.6%)	1,527,700	1,573,500
System Operating Ratio* (train and feeder bus)	46%	43%	2.9%	44.6% (through 2/07)	51%	(6.4%)	47%	48%
On-Time Performance	73%	90%	(17%)	68.3% (through 2/07)	90%	(21.7%)	90%	90%

* System operating ratio calculated by CCJPA

FY 2005-06 Performance Standards and Results

The service plan for FY 2005-06 began the same as in FY 2004-05 with 24 weekday trains between Sacramento and Oakland (18 weekend), 8 weekday trains between Oakland and San Jose (12 weekend), and 2 daily trains between Sacramento and Roseville/Auburn. On August 28, 2006, the CCJPA expanded service to 32 weekday trains between Sacramento and Oakland (22 weekend) and 14 daily trains between Oakland and San Jose (service between Sacramento and Roseville/Auburn remained at 2 daily trains). Once again, this service expansion was accomplished with no increase in State budget through the efficient reallocation of existing

FY 2005-06 was another year of strong performance, with the service continuing to break records for ridership and revenue each month.

funds, primarily the discontinuation of underused motorcoach bus routes and implementation of revenue enhancement measures. This is the maximum level of service attainable between San Jose and Sacramento with the current rolling stock and trainsets available and assigned to the Capitol Corridor. The existing service plan can support 6 daily trains to/from Roseville and 4 daily trains to/from Auburn, subject to approval of capital improvements required from UPRR.

FY 2005-06 was another year of strong performance for the Capitol Corridor. The service continued to break records for ridership and revenue each month, with results exceeding standards in all measures except one. The only area that experienced a significant decline was on-time performance, due primarily to service disruptions and delays caused by weather, rail congestion, and track construction work.

- Ridership grew 1.1% in FY 2005-06
- Revenue grew 5.5% during FY 2005-06
- System operating ratio improved to 46% in FY 2005-06
- On-time performance (OTP) slipped to 73% in FY 2005-06

FY 2006-07 Performance Standards and Results to Date

The CCJPA, in cooperation with Amtrak and Caltrans, developed the FY 2006-07 standards based on the ridership, revenue, and operating expenses identified in the current FY 2006-07 CCJPA/Amtrak operating contract. These standards are presented in Table 5-1.

Ridership. Year-to-date ridership for FY 2006-07 is 10.2% above last year due to higher service levels, but still 7% below business plan projections. Limited train capacity during peak travel times may impede further growth.

Revenue. Year-to-date revenue for FY 2006-07 is up 17.5% due to increased ticket yield and general ridership growth.

System Operating Ratio. Year-to-date system operating ratio (total revenues divided by fixed-price operating costs, a.k.a. farebox return) for FY 2006-07 is 47%, slightly below the 51% standard, primarily due to revenue and ridership results that are below business plan projections.

On-Time Performance. Year-to-date on-time performance for FY 2006-07 is 72.3%, well below the 90% standard. This decline in reliability is due primarily to freight and passenger rail congestion, track construction work, bridge opening delays, and mechanical incidents.

FY 2007-08 and FY 2008-09 Performance Standards

Table 5-1 provides the preliminary performance standards for FY 2007-08 and FY 2008-09. Appendix C shows the measures used to develop the performance standards. These fiscal year standards will be revised when more data becomes available.

FY 2007-08 Action Plan

For FY 2007-08, the work efforts of the CCJPA will focus on continued improvements in customer satisfaction and service delivery. The following action plans are designed to meet or exceed the established performance standards and provide exceptional service to the traveling public in the congested I-80/I-680/I-880 transportation corridor. Following are action steps for each quarter of the fiscal year.

1Q FY 2007-08

- Update CIP for funding sources as programming capacity in the State budget allows, develop allocation requests for funds that may be programmed in the 2006 STIP augmentation, and develop list of Capitol Corridor intercity rail projects for the CCJPA to submit for inclusion in the Proposition 1B and 2008 STIP funding programs
- Work with the State to complete the design plans for inclusion in the RFP for rail equipment manufacturers to build additional rolling stock, the primary barrier to expansion of capacity and Capitol Corridor service levels
 - Negotiate a contract with the winning vendor for deployment of a wireless internet system for customer and operational uses
 - Secure funds from Proposition 1B to advance and complete programmed track projects
 - Begin pilot program and testing for the on-board Automated Ticket Validation (ATV) system for conductors to reduce fraud, improve revenue collection, and streamline reporting
 - Seek marketing and promotional partnerships to leverage added value and/or revenues
- Monitor and expand the programs with transit agencies to improve connectivity between the trains and local transit services
- Participate in the development of the planned Fairfield/Vacaville and Hercules stations and the Union City Intermodal Station/Dumbarton Rail commuter service
- Complete the design of Yolo Causeway and Bahia crossover track improvement projects
- Begin installation of security cameras on the rolling stock
- Monitor performance and operation of recently installed ticket vending machines

One of CCJPA's CIP priorities is to expand service between Sacramento and Auburn, subject to the acquisition of rolling stock, availability of capital improvement funds, and approval by UPRR.

2Q FY 2007-08

- Working with the vendor selected for deployment of a wireless internet system, begin installation of the equipment to initiate this program
- Evaluate measures to improve train and motorcoach bus performance, including modifications to the service
- Conduct on-board surveys to assess rider profile and solicit feedback on Amtrak's performance

- Seek funds to support the second phase of security improvements, including but not limited to cameras at stations and trackside safety points

3Q FY 2007-08

- Develop revised Business Plan Update for FY 2008-09
- Host Annual Public Workshops to present service plans and receive input
- Develop Annual Performance Report and other information to present an overview of current performance and future plans

4Q FY 2007-08

- Develop FY 2008-09 marketing program, including market research
- Conduct on-board surveys to assess rider profile and solicit feedback on Amtrak's performance
- Launch a fully deployed wireless internet program for customer use with some initial applications for operations

FY 2008-09 Action Plan

This action plan for FY 2008-09 is preliminary and will be revised during the second half of FY 2007-08. In general, the CCJPA intends to focus on the following:

- Work with the UPRR and Amtrak to continue ridership and revenue growth by improving reliability and implementing projects that will add capacity and reduce travel times
- Monitor development and manufacturing of additional rolling stock, safety and security upgrades, and track and signal projects to meet service expansion plans
- Continue the development of applications using the wireless internet system to improve safety and operations
- Develop marketing programs that retain riders through expanded amenities and loyalty campaigns and offers, and grow ridership through market research
- Update performance standards as necessary
- Work with Amtrak to secure additional cost efficiencies to be reinvested in service enhancements

6. Establishment of Fares

The CCJPA will develop fares in conjunction with Amtrak to ensure that the Capitol Corridor service is attractive and competitive with other transportation options, including the automobile.

The Capitol Corridor's discounted multi-ride fares are competitive with other transportation modes and have become increasingly popular due to the high number of repeat riders who use the trains as their primary means of travel along the corridor.

Ticket types include standard one-way and round-trip fares as well as monthly passes and 10-ride tickets valid for a 45-day period. These discounted multi-ride fares are competitive with other transportation modes and have become increasingly popular due to the high number of repeat riders who use the Capitol Corridor trains as their primary means of travel along the corridor. The monthly and multi-ride tickets can be used year-round for all regularly scheduled train service. Reservations are not necessary for any of the trains.

The current fare structure is based on a one-way tariff, with the round-trip tariff being equal to double the one-way tariff. Discount fares are available to seniors, students, military personnel, and children under age 15. Amtrak also provides reduced fares for certain national partners, such as AAA members.

Fare modifications are used selectively to maximize revenue and ridership, while still working toward the State's farebox recovery goal of 50%.

FY 2007-08 Fares

Over the past eight years, the CCJPA has been incrementally increasing fares based on service improvements such as added trains, reduced travel times, and the opening of new stations. This

program of strategic fare increases will continue to be pursued by the CCJPA and Amtrak in FY 2007-08. For the upcoming fiscal year, the CCJPA plans to implement a simplified fare structure that will eliminate seasonal and holiday pricing and increase fares in conjunction with service improvements. As part of its Marketing Program (Section 8), the CCJPA will develop a variety of fare promotions designed to increase customer satisfaction and ridership, which are expected to be enhanced after the conversion to a simplified fare structure. Opportunities include:

- Customer loyalty and referral programs to attract new riders
- Testing and launch of the Automated Ticket Validation (ATV) pilot program which will allow for real-time validation and sales of tickets on board the trains. Benefits of this system include customer convenience, real-time information on ridership and revenue, and operating cost efficiencies. The specifications for the ATV units require them to accept smart card technology such as the Bay Area’s Translink fare media
- Further expansion of transit connectivity programs such as the Transit Transfer Program, joint ticketing, and transfer of motorcoach bus routes to parallel local transit services to help increase overall system ridership and revenues

Taken together, these fare and ticketing programs for FY 2007-08 will enhance customer convenience and increase revenue yield through expanded TVM availability and improved revenue collection with the ATV units, which will contribute to meeting the State’s eventual farebox recovery goal of 50%.

FY 2008-09 Fares

While still preliminary, the projected fare structure for FY 2008-09 will follow the program set forth in FY 2007-08. The CCJPA will perform periodic reviews of the fare structure and make modifications with Amtrak as necessary. Opportunities include:

- Working with Metropolitan Transportation Commission (MTC) to include the Translink smart-card fare collection technology on the Capitol Corridor trains
- Continuation and expansion of transit connectivity programs such as the Transit Transfer Program, joint ticketing, and transfer of motorcoach bus routes to parallel local transit services
- Enhancement of the ATV pilot program to install an on-board handheld ticketing and validation system on all trains in the Northern California fleet

In 2007-08, the CCJPA plans to eliminate seasonal and holiday pricing in favor of a simplified fare structure designed to maintain strong fare revenue and improve customer satisfaction.

7. Service Amenities, Food Services, and Equipment

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

Service Amenities

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

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

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

Telecommunications. California Cars that provide food service are equipped with one telephone for passenger use in the lower level of the train car. The current mid-life overhaul program includes the expansion of 110-volt power access to additional locations within all cars to satisfy the growing demand of passengers who bring laptops and electronic devices on the trains.

Bicycle Access. The original Cab and Coach Cars and recently acquired California Cars have bicycle storage units that hold three bicycles on the lower level of the train car. In addition, the recently acquired Cab Cars have storage space for up to 13 bicycles on the lower level.

During FY 2007-08, the CCJPA will issue an RFP, select a vendor, and negotiate a long-term contract to provide “wi-fi” access to passengers and to CCJPA/Amtrak for various operational applications.

Wireless Internet Access. After conducting trials using several technologies, the CCJPA will develop and issue a Request for Proposal (RFP) for a long-term service contract to provide wireless internet (“wi-fi”) access to our customers and to CCJPA/Amtrak for various operational applications, many of which are safety and security related. During FY 2007-08, the CCJPA will select the vendor and negotiate a contract to deploy wireless internet access across the whole system. Fully operational service may not be expected until the end of the fiscal year or early in the next fiscal year.

Business/Custom Class Car. With the funds available to order new rolling stock, the CCJPA, Amtrak, and Caltrans are working on the introduction of the Business/Custom Class Car. Concepts are still under evaluation to better serve business travelers with premium services that will retain and expand this market; ideally these services will increase net revenues or at least be revenue-neutral. The basic premise is to renovate one car per train to be equipped with additional services and amenities not found in other Coach Cars, such as:

- Morning coffee and pastry service; mid-day soft drinks
- Daily and/or weekly periodicals for each business class/custom class ticketed passenger
- Wireless internet access (included in fare)

Food and Beverage Services

Many of the food and beverage service improvements proposed in prior years have been implemented and are reaping benefits in customer satisfaction and increased sales of menu items. Recent modifications include:

- More attractive menu choices
- New signage and seat pocket menus that promote food service
- Improved inventory and accounting procedures to enhance profitability

These efforts by the CCJPA and Caltrans will continue to enhance the unique food and beverage service provided on the Capitol Corridor and San Joaquin Corridor trains, which differentiates them from other modes of transportation.

Equipment Acquisition, Maintenance, and Renovation

The CCJPA continues to work closely with Caltrans and Amtrak to refine the maintenance and operations programs to improve the reliability, safety, and cost-effectiveness of the rail fleet. The Capitol Corridor and San Joaquin routes now share a combined fleet of 15 F59PHI locomotives, 2 DASH-8 locomotives, and 78 Alstom-built passenger coaches and food service cars; these are evenly split between the two routes. New fleet acquisitions under development will dramatically

increase the capacity of the service. Recent federal legislative proposals also raise the possibility of leveraging State dollars with a federal match to purchase and/or upgrade equipment.

Rehabilitation and Modification Programs. Using previously allocated State funds, the CCJPA, Caltrans, and Amtrak have created a multi-year program of periodic overhauls to the existing train fleet that will improve the performance of the fleet and maintain the valued assets of the State's investment in the rolling stock. As of January 2007, 44 of the 66 original California Cars have completed their major overhaul.

Work Completed (FY 2005-06 and Prior)

- The original fleet of locomotives, owned by the State, has been through an extensive State-funded renovation program that included the rebuilding of auxiliary power motors, which has resulted in a marked improvement in performance and reliability
- The individual Heating-Ventilation-Air Conditioning (HVAC) units on each passenger car were rebuilt prior to Summer 2003
- The original fleet of locomotives, Coach Cars, Diner Cars, and Cab Cars was also repainted

Upcoming Work (FY 2006-07 and Beyond)

- The door systems have been completely redesigned to improve operation and maintenance via a microprocessor-controlled door operator system. These have been installed in the 44 coaches overhauled so far
- Improvements are being made to the ducting and filtration systems of the renovated HVAC control system, providing better air quality and climate control
 - Restrooms are being upgraded with rebuilt toilet operating systems, new flooring, and improved doors and latching mechanisms
 - An improved ride quality suspension package and collision protection system is being installed to enhance passenger and crew safety
 - As part of our safety and security program, all passenger coaches and locomotives will be equipped with a digital security camera system. This will provide the CCJPA with a valuable tool to protect equipment from vandalism and prevent accidents and injury to passengers and crew
 - To keep the train cars looking fresh and new, Amtrak and Caltrans are preparing bids for the replacement of carpeting, cloth wainscot, and seat upholstery on all coaches in the Amtrak California fleet, and the addition of window curtains exclusively on the Northern California fleet

Using previously allocated State funds, the CCJPA, Caltrans, and Amtrak have created a multi-year program of periodic overhauls to improve the performance of the fleet and maintain the valued assets of the State's investment in the rolling stock.

8. Marketing Strategies

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

Advertising Campaigns. Major media campaigns inform leisure and business travel audiences about service attributes, promotions/pricing, and destinations. The advertising mix includes radio, online, direct mail, and print media buys, and it is continually adjusted to ensure consistent visibility in premium markets.

Targeted Marketing Programs. The CCJPA will continue to develop programs that target specific markets, such as the Train Treks youth group discount program to boost midday, mid-week travel, and customer retention efforts such as Rider Appreciation programs. Media-based

promotions tout riding the train to popular events such as Cal Football and Oakland A’s games. In addition, the CCJPA will develop promotional programs that create awareness of the train as a way to reach fun destinations throughout Northern California. Working with hotels and convention/visitor bureaus, the CCJPA will create seasonal destination-based promotions to local attractions such as Davisfest, Fremont Arts Fest, etc.

The Capitol Corridor’s targeted marketing efforts have earned awards from industry organizations, including the 2005 American Public Transportation Association (APTA) AdWheel Special Events Grand Prize for the “Stitch ’n Ride” knitting train, and the 2006 Transportation Marketing and Communications Association (TMCA) Compass Award of Merit for Rider Appreciation Events.

Partnership Brand Marketing. The Capitol Corridor’s Strategic Marketing Partnership Program has established metrics to enhance the CCJPA’s trade promotion negotiations, allowing selected partners to market their products through Capitol Corridor marketing channels. The program now has a solid foundation for increasing value and revenues to the advertising program by partnering with well-known organizations that share similar target audiences.

Joint Marketing. Working with Amtrak and Caltrans, the CCJPA achieves cost efficiencies in marketing the State-supported rail services through shared creative development and select joint promotions.

The Capitol Corridor’s marketing efforts have earned awards from industry organizations, including the 2005 APTA AdWheel Special Events Grand Prize for the “Stitch ’n Ride” knitting train, and the 2006 TMCA Compass Award of Merit for Rider Appreciation Events.

Communications and Public Relations. The CCJPA places great importance on communicating with our passengers. A positive public image is also essential to building awareness of the brand. Key elements include:

- Call center staff work closely with Marketing and Operations to ensure callers receive clear and up-to-date information about the Capitol Corridor service and promotions
- An evolving website, e-newsletter, electronic station signage, flyers, and posted signs inform customers about service changes, promotions, and special events
- Public Relations will continue its lifestyle marketing approach and focus on creating buzz through attention-getting events and amenities

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

- Advocacy efforts will aim to increase the Capitol Corridor’s visibility and recognition as a unique interagency partnership
- Communities along the Capitol Corridor route are helping to building awareness of the service in their respective cities through local marketing campaigns
- An Annual Performance Report informs the public and elected officials of the service’s successes, benefits and challenges to local communities
- Working with Operation Lifesaver – a voluntary effort by railroads, safety experts, law enforcement, public agencies, and the general public – the CCJPA will support rail safety campaigns through education, engineering, and enforcement
- The CCJPA will leverage riders who use and benefit from the service as advocates in their communities

FY 2007-08 Marketing Program

The CCJPA’s FY 2007-08 Marketing Program will focus on meeting the increased ridership projections using marketing strategies based on our existing core service. Programs will be developed to target the markets most likely to benefit from the Capitol Corridor’s FY 2006-07

service expansions. The CCJPA will continue its independent campaigns, but will coordinate with Amtrak and Caltrans on the most beneficial promotions and shared marketing collateral. Advertising media will consist primarily of radio traffic sponsorships, online web banner campaigns, and promotionally driven media buys, all of which will be tested for advertising effectiveness. Specific marketing programs will target the markets most likely to benefit from recent service expansions. Marketing initiatives will also aim to enhance the distinctiveness and visibility of the Capitol Corridor brand. Key elements will include:

- Introduction of a new Capitol Corridor logo to update the image of the service and enhance brand recognition
- Advertising messages and creative that reflect the CCJPA’s emphasis on the Capitol Corridor as a distinct service brand
 - Joint media promotions with well-known organizations to maximize media dollars and expand market reach
 - Reciprocal marketing with tourism industry members such as hotels, airports, and convention/visitor bureaus
 - Targeted marketing to school groups, senior citizens, special interest groups, and new residential communities
 - Outreach and public relations efforts in the Silicon Valley/San Jose area to coincide with service expansion

In FY 2007-08, specific marketing programs will be developed to target the markets most likely to benefit from the Capitol Corridor’s FY 2006-07 service expansions.

FY 2008-09 Marketing Program

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

9. Annual Funding Requirement: Costs & Ridership Projections

The primary purpose of this Business Plan Update, as identified in the ITA, is to request the annual funds required by the CCJPA to operate, administer, and market the Capitol Corridor service for agreed-upon service levels. Previous sections in this document describe the proposed operating plan, planned service improvements, and capital improvements for FY 2007-08 and FY 2008-09.

FY 2007-08 and FY 2008-09 Operating Costs

Based on the Operating Plan and Strategies (Section 3), the CCJPA and Amtrak have proposed a best estimate for FY 2007-08 and FY 2008-09 operating expenses. These costs are shown in Table 9-1 and include the basic train service and associated feeder bus service (Routes 20 and 21), including the CCJPA’s proportionate share of costs relating to the Highway 17 Express bus service (San Jose – Santa Cruz), Highway 49 Express bus service (Auburn – Grass Valley), and Route 55 (San Jose – Gilroy – Monterey).

FY 2007-08 and FY 2008-09 Marketing Expenses

The CCJPA’s marketing budget for FY 2007-08 and FY 2008-09 will fund the respective year’s Marketing Programs presented in Section 8. The CCJPA will develop the various campaigns and programs. The preliminary budget estimates illustrated in Table 9-1 represent only direct expenditures of the CCJPA and do not include any costs for marketing programs provided solely by Amtrak or the State.

FY 2007-08 and FY 2008-09 Administrative Expenses

Table 9-1 identifies the estimate for the FY 2007-08 and FY 2008-09 budgets that support the administrative activities of the CCJPA for the Capitol Corridor service. There has been a shift in funds from the operating budget to the administrative budget due to the October 2005 transfer of

Capitol Corridor Service FY 2007-08–FY 2008-09 Business Plan Update (March 2007 Final)

customer service call center operations from Amtrak to BART, the CCJPA’s managing agency. However, the total allocation to the CCJPA remains the same as prior years.

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

**Table 9-1
CCJPA FY 2007-08 – FY 2008-09 Funding Requirement
Capitol Corridor Service (Minimum Levels)**

	FY 2007-08 Budget	FY 2008-09 Budget
Service Level		
Sacramento-Oakland		
Weekday	32	32
Weekend	22	22
Oakland-San Jose		
Weekday	14	14
Weekend	14	14
Sacramento-Roseville	2	2
Roseville-Auburn	2	2
Ridership (a)	1,527,700	1,573,500
Total Train Operating Expenses	\$ 41,488,000	\$ 42,421,000
Equipment Capital Costs	\$ -	\$ -
Total Train Expenses	\$ 41,488,000	\$ 42,421,000
Total Bus Expenses	\$ 2,143,000	\$ 2,207,000
TOTAL Expenses (a)	\$ 43,631,000	\$ 44,628,000
Train Revenue	\$ 18,703,000	\$ 19,638,000
Bus Revenue	\$ 1,947,000	\$ 1,986,000
TOTAL Revenue (a)	\$ 20,650,000	\$ 21,624,000
CCJPA Funding Requirement		
CCJPA Operating Costs	\$ 22,981,000	\$ 23,004,000
Insurance for State-Owned Equipment (b)	\$ 420,000	\$ 425,000
Minor Capital Projects (c)	\$ 300,000	\$ 325,000
Subtotal-CCJPA Operating Expenses	\$ 23,701,000	\$ 23,754,000
Marketing (d)	\$ 1,174,000	\$ 1,174,000
Administrative Expenses (e)	\$ 2,959,000	\$ 3,001,000
TOTAL CCJPA Funding Request	\$ 27,834,000	\$ 27,929,000

(a) Amtrak provided final estimates for ridership, revenue, and operating costs.

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

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

(d) Due to State budget constraints, the FY 2007-08 and FY 2008-09 marketing expenses will be capped at the same levels as the seven prior fiscal years (\$1,174,000). Does not include contributions by Amtrak or additional resources provided by the State as part of market research program.

(e) Includes additional administrative expenses to CCJPA resulting from transfer of call center/phone information services from Amtrak to CCJPA/BART.

10. Separation of Funding

As identified in the Joint Exercise of Powers Agreement (JEPA) for the CCJPA, the Controller-Treasurer of the Managing Agency of the CCJPA shall perform the functions of Treasurer, Auditor, and Controller of the CCJPA. BART’s prior agreement with the CCJPA to serve as the CCJPA’s Managing Agency was renewed in February 2005 for a five-year term through

February 2010, consistent with the enactment of AB 1717 in September 2003. This longer term will allow the CCJPA Board to more effectively measure the performance of the Managing Agency.

As identified in the ITA, the State shall perform audits and reviews of financial statements of the CCJPA with respect to Capitol Corridor service. In addition, the CCJPA requires that the Controller-Treasurer shall provide for an annual independent audit of the accounts of the CCJPA within six months of the close of the State fiscal year. BART has established the appropriate accounting and financial procedures to ensure that the funds secured by the CCJPA during FY 2007-08 and FY 2008-09 to support the Capitol Corridor service are solely expended to operate, administer, and market the service.

11. Consideration of Other Service Expansions & Enhancements

Consistent with the CCJPA’s Vision Plan, this section presents service expansion and enhancement opportunities beyond the CCJPA’s FY 2007-08 and FY 2008-09 service plans and funding requirements. Planning for potential new services will require securing capital improvements, additional operating funds, and institutional agreements.

Auburn/Sacramento – San Francisco Bay Area Regional Rail Markets. A conceptual planning study has been completed that identifies the feasibility and funding opportunities for the operation and necessary capital improvements to provide peak hour weekday regional rail service between Auburn/Sacramento and Richmond/Oakland. These proposed locally-funded trains would be integrated with the Capitol Corridor intercity trains to provide 30-minute headways during weekday peak periods. The planning study was completed in October 2005. The next steps include securing local, State, and federal funds (both capital and operational) and working with the UPRR on the necessary track infrastructure projects to support these additional peak-hour trains.

Silicon Valley/Santa Clara County Markets. While the CCPA recently increased train service to/from San Jose in August 2006, efforts continue to expand public rail transportation to the South Bay. With the passage of Bay Area Regional Measure 2 (RM-2) in March 2004, a \$1 increase in local bridge tolls provides an important funding source (with matching State and federal funds) for the introduction of Caltrain-operated peak hour commuter train service between an expanded Union City Intermodal Station and San Jose/San Francisco via the Dumbarton Rail bridge. The CCJPA is co-project applicant with Caltrain for the planning, construction, and implementation of this service. The CCJPA will work with project partners to ensure that Capitol Corridor trains are closely coordinated and integrated with ACE and the new Dumbarton Rail commuter trains, especially along the shared track between Union City and Fremont/Newark. In addition, VTA and BART will continue planning and environmental studies

The proposed regional rail trains between Auburn/Sacramento and Richmond/Oakland would be integrated with the Capitol Corridor intercity trains to provide 30-minute headways during weekday peak periods.

for the proposed extension of BART from Southern Alameda County to San Jose. The development and operation of this proposed BART extension will be coordinated with existing and additional Capitol Corridor trains to and from San Jose and Silicon Valley.

Additional Service Expansion. The CCJPA continues to work with Amtrak, Caltrans, and other interested agencies to increase train service levels on the Capitol Corridor. The CCJPA will utilize Caltrans’ 10-Year Statewide Rail Plan to develop and implement its vision of bi-directional hourly service.

In a partnership with Placer County TPA and Caltrans Division of Rail, the CCJPA completed a conceptual planning study in January 2005 on a proposed extension of Capitol Corridor trains to

Reno/Sparks, Nevada (via Truckee). The study identified conditions along the rail route and at existing or proposed stations, developed conceptual train schedules, estimated ridership/revenue projections and operating costs, prepared a preliminary capital improvement plan, and established an action plan to implement the service extension within three years of securing UPRR approval and capital/construction funds. However, plans for the extension of service to Reno/Sparks have been suspended at the request of the UPRR, which at this time is not prepared to consider passenger rail service coupled with their extensive freight rail service plans in the Auburn – Reno corridor.

The CCJPA has set forth and adopted a Train Service Policy that supports future extensions to new markets beyond the Capitol Corridor. It encourages partnerships among several passenger rail services and local/regional transportation agencies to ensure that these proposed service extensions provide mutual cost savings through the use of joint facilities and equipment. In addition to the Capitol Corridor extension to Reno/Sparks and other proposed regional commuter rail services, the CCJPA has developed working relationships with:

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

Appendices

**Appendix A
Capitol Corridor Historical Performance**

Fiscal Year	Trains	Ridership	Prior Year	Per Day	Revenue*	Prior Year	Expenses*	Prior Year	Ratio*	Costs*
SFY 91/92 (a)	6	173,672	--	864	\$1,973,255	--	\$4,848,967	--	40.7%	\$1,592,907
SFY 92/93	6	238,785	--	650	\$2,970,103	--	\$8,333,093	--	35.6%	\$6,712,017
SFY 93/94	6	364,070	52.5%	1,000	\$3,598,978	21.2%	\$9,911,735	18.9%	36.3%	\$6,714,761
SFY 94/95	6	349,056	-4.1%	960	\$3,757,146	4.4%	\$9,679,401	-2.3%	38.8%	\$6,012,315
SFY 95/96 (b)	8	403,050	15.5%	1,100	\$4,805,072	27.9%	\$11,077,485	14.4%	43.4%	\$6,434,940
SFY 96/97	8	496,586	23.2%	1,360	\$5,938,072	23.6%	\$20,510,936	85.2%	29.0%	\$9,701,519
FFY 97/98 (c)	8	462,480	-6.9%	1,270	\$6,245,105	5.2%	\$20,527,997	0.1%	30.4%	\$11,404,143
FFY 98/99 (d)	10/12	543,323	17.5%	1,490	\$7,314,165	17.1%	\$23,453,325	14.3%	31.2%	\$16,022,024
FFY 99/00 (e)	12/14	767,749	41.3%	2,100	\$9,115,611	24.6%	\$25,672,749	9.5%	35.7%	\$16,440,540
FFY 00/01 (f)	14/18	1,073,419	39.8%	2,941	\$11,675,117	28.1%	\$28,696,741	11.8%	40.7%	\$17,680,477
FFY 01/02	18	1,079,779	0.6%	2,960	\$12,201,602	4.5%	\$32,842,038	14.4%	37.2%	\$20,590,919
FFY 02/03 (g)	18/20/22/24	1,142,958	5.9%	3,130	\$12,800,469	4.9%	\$36,469,383	11.0%	38.1%	\$21,540,910
FFY 03/04	24	1,165,334	2.0%	3,190	\$13,168,373	2.9%	\$35,579,266	-2.4%	37.2%	\$22,708,181
FFY 04/05	24	1,260,249	8.1%	3,450	\$15,148,333	15.0%	\$35,110,571	-1.3%	43.2%	\$19,962,238
FFY 05/06	24/32	1,273,088	1.0%	3,490	\$16,014,636	5.7%	\$35,147,033	0.1%	45.8%	\$19,132,397
FFY 06/07 (h)	32	568,904	12.6%	3,770	\$7,533,289	18.0%	\$16,868,531	-15.2%	44.6%	\$9,335,242

* Cost statistics include train service as well as bus service

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. Year-to-date ridership, revenue, and expenses through February 2007.

**Appendix B
Programmed or Completed Capitol Corridor Projects (as of December 2006)**

Programmed or Completed Projects (Preliminary and Tentative - Subject to Revision)	Costs
<u>Station Projects</u>	
Colfax	\$2,508,165
Auburn	\$3,131,656
Rocklin	\$2,114,173
Roseville	\$1,619,104
Sacramento*	\$11,549,526
Davis	\$5,326,643
Fairfield/Vacaville	\$29,000,000
Suisun/Fairfield	\$3,834,049
Martinez*	\$38,145,628
Richmond*	\$21,924,408
Berkeley	\$4,745,500
Emeryville*	\$17,252,136
San Francisco – Ferry Building*	\$584,842
Oakland Jack London Square*	\$20,319,077
Oakland Coliseum	\$6,132,000
Hayward	\$1,782,500
Fremont/Centerville	\$3,544,050
Great America/Santa Clara	\$3,082,627
San Jose Diridon	\$27,138,542
Platform Signs	\$63,101
Real-time message signs (design)	\$1,494,842
Other	\$2,640,575
SUBTOTAL – Station Projects	\$207,933,144
*shared stations with the San Joaquin route	
<u>Track and Signal Projects</u>	
Placer County	\$500,000
Auburn Track and Signal Improvements	\$350,000
Sacramento – Roseville (3 rd Track) Improvements	\$6,950,000
Yolo Causeway 2 nd Track	\$14,555,533
Sacramento – Emeryville	\$60,219,132
Oakland – Santa Clara (Hayward Line) [1991]	\$14,900,000
Niles Junction – Newark (Centerville Line)	\$10,667,740
Sacramento – San Jose C-Plates	\$14,156
Oakland – San Jose	\$59,405,333
San Jose 4 th Track	\$41,850,000
Bahia Viaduct Track Upgrade	\$2,940,000
Harder Road (Hayward) Undercrossing [2001]	\$8,898,000
SUBTOTAL – Track and Signal Projects	\$221,249,894
<u>Maintenance and Layover Facility Projects</u>	
San Jose (Pullman Way) Maintenance Facility	\$5,789,862
Oakland Maintenance Facility (new – owned by the State)	\$63,835,956
Oakland Maintenance Base (former site)	\$464,884
Colfax/Auburn Layover Facility	\$691,956
Roseville Layover Facility	\$157,702
Sacramento Layover Facility	\$941,316
SUBTOTAL – Maintenance and Layover Facility Projects	\$71,881,676
Rolling Stock (California Cars and Locomotives – owned by the State)	\$235,282,226
TOTAL – PROGRAMMED OR COMPLETED PROJECTS	\$736,346,940

Appendix C
Capitol Corridor Performance Standards FY 2005-06 to FY 2010-11

PERFORMANCE STANDARD	FY 2005-06				FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11
	ACTUAL	STANDARD	VARIANCE ACTUAL TO STANDARD	PERCENT CHANGE	STANDARD	PRELIMINARY STANDARD	PRELIMINARY STANDARD	PRELIMINARY STANDARD	PRELIMINARY STANDARD
NUMBER OF DAILY TRAINS (SAC-OAK)	24/32#	24/32#			32	32	32	32	32
USAGE									
Route Ridership	1,273,632	1,251,200	22,432	1.8%	1,511,100	1,527,700	1,573,500	1,620,700	1,701,700
Average Daily Ridership	3,489	3,428	61	1.8%	4,140	4,185	4,311	4,440	4,662
Percent Change in Route Ridership	9.3%	7.4%			20.8%	1.1%	3.0%	3.0%	5.0%
Percent Change in Train Passenger Miles	9.8%	11.6%			20.4%	0.0%	5.6%	4.5%	6.5%
Percent Change in Train Miles	3.9%	4.1%			29.0%	-0.7%	0.0%	0.0%	0.0%
Passenger Miles per Train Mile (PM/TM)	92.4	93.7	(1.3)	-1.4%	87.4	88.0	93.0	97.1	103.4
COST EFFICIENCY									
System Operating Ratio (as calculated by CCJPA)	46%	43%	2.9%	-	51%	47%	48%	49%	50%
Percent Change in Total Revenue	20.7%	13.9%	-	-	35.8%	0.1%	4.7%	4.0%	4.0%
Percent Change in Total Expenses	2.0%	2.7%	-	-	14.1%	8.0%	2.3%	2.0%	2.0%
Train Revenue per Train Mile	\$15.58	\$14.62	\$0.96	6.6%	\$15.46	\$15.57	\$16.35	\$17.16	\$17.68
Train Revenue per Passenger Mile (Yield)	\$0.17	\$0.16	\$0.01	8.1%	\$0.18	\$0.18	\$0.18	\$0.18	\$0.17
Train Expenses per Train Mile	\$33.32	\$34.60	-\$1.28	-3.7%	\$31.41	\$34.54	\$35.31	\$36.02	\$36.92
Train Only State Cost per Train Mile	\$17.73	\$19.98	-\$2.25	-11.2%	\$15.94	\$18.97	\$18.97	\$18.85	\$19.24
Train Only State Cost Per Passenger Mile	\$0.19	\$0.21	-\$0.02	-10.0%	\$0.18	\$0.22	\$0.20	\$0.19	\$0.19
SERVICE QUALITY									
On Time Performance	73%	90%	-17%	-	90%	90%	90%	90%	90%
Percent of California Car Fleet Available	89%	87%	2%	-	87%	87%	87%	87%	87%
OPERATING RESULTS									
TRAIN AND BUS									
Total Revenue	\$16,108,137.23	\$15,191,000.00	\$917,137.23	6.0%	\$20,634,000.00	\$20,650,000.00	\$21,624,000.00	\$22,489,000.00	\$23,389,000.00
Total Expenses	\$35,147,032.72	\$35,381,000.00	-\$233,967.28	-0.7%	\$40,385,000.00	\$43,631,000.00	\$44,628,000.00	\$45,521,000.00	\$46,431,000.00
Total State Operating Cost ^	\$19,647,000.00	\$19,647,000.00	\$0.00	0.0%	\$20,476,000.00	\$23,701,000.00	\$23,754,000.00	\$23,932,000.00	\$23,992,000.00
TRAIN ONLY									
Train Only Revenue	\$14,584,333.00	\$13,703,000.00	\$881,333	6.4%	\$18,706,000.00	\$18,703,000.00	\$19,638,000.00	\$20,620,000.00	\$21,239,000.00
Train Only Expenses	\$31,185,000.00	\$32,435,000.00	(1,250,000)	-3.9%	\$37,993,000.00	\$41,488,000.00	\$42,421,000.00	\$43,269,000.00	\$44,351,000.00
Train Only State Operating Cost	\$16,600,667.00	\$18,732,000.00	(2,131,333)	-11.4%	\$19,287,000.00	\$22,785,000.00	\$22,783,000.00	\$22,649,000.00	\$23,112,000.00
Passenger Miles	86,518,795	87,880,608	(1,361,813)	-1.5%	105,777,350	105,764,718	111,718,500	116,690,400	124,224,100
Train Miles	936,050	937,500	(1,450)	-0.2%	1,209,754	1,201,305	1,201,305	1,201,305	1,201,305

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

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

¶ - Per Business Plan Update/Amtrak Contract

- Standards measured assumes August 28, 2006 service expansion plan of 32 Oakland-Sacramento weekday trains (22 weekend trains), 14 daily trains to/from San Jose, and 2 daily trains to/from Roseville/Auburn.

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

Appendix D
How's Business

How's Business?

Ridership



5.4% Overall 12-Month Growth
4.8% Overall Prior 12 Month Growth Period

□ Prior Year ■ Last 12 Months

Ridership Last 12 Months=1,333,082
Ridership Prior 12 Month Period=1,264,732

