

CAPITOL CORRIDOR

INTERCITY PASSENGER RAIL SERVICE

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



Business Plan Update FY 2012-13 - FY 2013-14

CAPITOL CORRIDOR
INTERCITY PASSENGER RAIL SERVICE
BUSINESS PLAN UPDATE
FY 2012-13 - FY 2013-14
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PREPARED BY
CAPITOL CORRIDOR JOINT POWERS AUTHORITY

PREPARED FOR
STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY



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EXECUTIVE SUMMARY

Introduction. This Business Plan Update presents an overview of the Capitol Corridor Joint Powers Authority's (CCJPA) strategic plan and funding request for the next two fiscal years (FY 2012-13 and FY 2013-14), to be submitted to the Secretary of the Business, Transportation and Housing Agency (BT&H) in April 2012. It also outlines the service and capital improvements that have contributed to the Capitol Corridor's growth, identifies needed improvements to sustain this growth, and incorporates customer input as detailed in Chapter 263 of California State Law.

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 green transportation alternative to the congested I-80, I-680, and I-880 highway corridors. The CCJPA is governed by a Board of

FOR FY 2012-13, THE CCJPA PLANS TO IMPLEMENT A SERVICE OPERATING PLAN THAT OPTIMIZES AVAILABLE RESOURCES AND MEETS RIDERSHIP DEMAND.

Directors comprised of 16 elected officials from six member agencies along the 170-mile Capitol Corridor® 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)

History. The Capitol Corridor service began in December 1991 with six daily trains between San Jose and Sacramento. The CCJPA assumed management responsibility for the service in October 1998. Since then, it has grown into the third busiest intercity passenger rail service in the nation. In August 2006, the CCJPA expanded service by 33% from 24 to 32 weekday trains between Sacramento and Oakland, and 14 daily trains continuing on to San Jose. This expansion was accomplished with minimal increases in the State of California (State) budget and was mostly supported by ridership and revenue growth and fund reallocation for cost-effective service changes. Essentially this August 2006 plan is what is in service today.

Operating Plan. The CCJPA recognizes that the under-performing economy has resulted in lower than expected diesel fuel sales tax revenues into the Public Transportation Account (PTA) [the sole source of state operating and capital support]. To maintain its 13-year track record of success, the CCJPA plans to implement a service plan for FY 12-13 that optimizes available resources and meets ridership demand. When the Sacramento Railyards Relocation Project (Phase 1) is completed in 2012, there will be increased storage capacity for trainsets, which will provide the CCJPA the ability to redeploy the trainsets used in the morning. As a result, the CCJPA will reduce the weekday service levels from 32 trains (16 round trips) to 30 trains (15 round trips) by eliminating a low performing Oakland-to-Sacramento morning train (Train #518 - 20 riders per train per weekday vs. 165 system average), and merging two, late weekday evening Sacramento-to-Oakland trains into one trip. The lost ridership and revenue, estimated to be less than \$100,000, are offset by larger operating cost savings of approximately \$1 million thus keeping operating costs under control, while ensuring the continued operation of high-performing trains (maximizing ridership and revenue). To minimize ridership and revenue loss from the elimination of train #518, an Amtrak Thruway bus that starts in Davis to connect with San Joaquin train #702 in Sacramento will be extended to begin its trip in Martinez serving Suisun/Fairfield station, then to Davis, and Sacramento. If capital funds become available, a similar 30 daily train plan can be implemented with an additional daily round trip to/from Placer County. The preliminary FY 2013-14 operating costs (to be refined closer to implementation) mark the execution of a new pricing policy for Amtrak-operated, state-financed intercity passenger rail (IPR) routes under 750 miles pursuant to Section 209 of the Passenger Rail Improvement and Investment Act of 2008 (PRIIA). All states with IPR services helped develop this policy, which will result in fair, transparent and equitable operating cost allocations.

Performance Standards. In April 2005, the CCJPA Board updated its Vision Plan, which established Capitol Corridor's ridership, system operating ratio and on-time performance (OTP) standards and strengthened partnerships with the service operators: the National Railroad Passenger Corporation (Amtrak®) and the Union Pacific Railroad (UPRR). In February 2012, CCJPA began the process to again update its Vision Plan. Performance highlights include:

- Ridership increased 8.1% in FY 2010-11; to date, FY 2011-12 ridership is up 7.6% (through February 2012).
- Revenue increased 11.5% in FY 2010-11; to date, FY 2011-12 revenue is up 11.1% (through February 2012).
- System operating ratio (a.k.a. farebox return) was 48% in FY 2010-11; to date the FY 2011-12 operating ratio is 50% (through February 2012) , primarily due to increased ridership and revenues.
- OTP improved to 95% in FY 2010-11, the best OTP in the Amtrak system, due to disciplined UPRR dispatching and track maintenance; to date (February 2012), FY 2011-12 OTP is at 94%, continuing the stellar trend which began in 2009.

Capitol Corridor Service	FY 2012-13	FY 2013-14
Sacramento – Oakland	30 weekday trains (22 weekend)	30 weekday trains (22 weekend)
Oakland – San Jose	14 daily trains	14 daily trains
Sacramento – Roseville	2 daily trains (with plans for up to 10)	2 daily trains (with plans for up to 10)
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)	\$33,862,616	\$32,974,061
% Change vs. FY 2011-12	+0.4%	-2.3%

The table below summarizes the standards and results for FY 2010-11 and FY 2011-12 as well as the standards for the next two fiscal years (see Appendix C):

Performance Standard	FY 10-11			FY 11-12			FY 12-13	FY 13-14
	Actual	Standard	% Change	Actual	Standard	% Change	Standard	Standard
Route Ridership	1,708,618	1,667,000	+8.1%	720,074 (through 2/12)	709,680 (through 2/12)	+1.5%	1,855,500	1,911,200
System Operating Ratio (train and feeder bus)	48%	49%	-2.2%	50% (through 2/12)	50%	- -%	52%	53%
On-Time Performance	95%	90%	+5.4%	94% (through 2/12)	90%	+4.5%	90%	90%

Capital Improvement Program. The CCJPA’s Capital Improvement Program (CIP) is consistent with regional and State of California transportation plans (e.g. Regional Transportation Plans, [RTPs] and Caltrans’ 10-Year Statewide Rail Plan). The CIP includes projects aimed to increase reliability and capacity, build or renovate stations, add rolling stock, reduce travel times and enhance safety and security. The CIP projects also include projects CCJPA supports which are led by partner agencies.

In FY 2011, implementing CIP projects were delayed due to minimal, deferred or lack of funding at the State and federal level. Recent changes in the State’s transportation funding program have greatly diminished the capacity to implement CCJPA’s CIP. At the federal level, after a promising start, the funding for the federal High Speed Intercity Passenger Rail (HSIPR) capital grant program has been eliminated by Congress in FY 2011 and FY 2012.

Marketing Strategies. The CCJPA’s marketing strategies for FY 2012-13 and FY 2013-14 will focus on directives set forth in the soon to be updated Vision Plan to enhance awareness of the Capitol Corridor brand. Marketing programs and campaigns will target markets with available seating capacity to raise awareness of transit connections, strategic partnerships, enhanced customer service, and amenities to attract and retain loyal riders.

Action Plan. The CCJPA, working with its service partners, will build upon current expansion (new Santa Clara/University Station), and station modernization projects and customer service enhancements to secure limited funding opportunities at the State, regional, and federal levels that will allow for the implementation of Capitol Corridor service expansion plans to San Jose/Silicon Valley and Placer County. In the immediate term, the CCJPA will work with our service delivery and marketing partners to maintain Capitol Corridor’s high level of reliability, build upon its excellent customer satisfaction ratings, and continue security and safety measures. Together, these initiatives help to retain and increase ridership, thereby maintaining Capitol Corridor’s position as the nation’s premier intercity passenger rail service.

1. INTRODUCTION

This Business Plan Update modifies the CCJPA’s report submitted to the Secretary of the Business, Transportation and Housing Agency (BT&H) every April. This Business Plan Update identifies the service and capital improvements that have contributed to the Capitol Corridor’s growth during the past 13 years. It also incorporates customer input detailed in Chapter 263 of State Law that allowed for the transfer of the Capitol Corridor service to the CCJPA on July 1, 1998. 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.

Due to current economic conditions, and since new rolling stock will not be delivered for several years; the most significant change to the Business Plan in FY12-13 is CCJPA’s strategy to optimize the current service plan, which will reduce the current Capitol Corridor service levels of 32 weekday trains between Sacramento and Oakland to 30 trains (15 round trips) by eliminating a low performing Oakland-to-Sacramento weekday morning train (Train #518 – an average of 20 riders vs. 165 system average), and merging two, late weekday evening Sacramento-to-Oakland trains into one trip. To minimize ridership and revenue loss from the elimination of train #518, an Amtrak Thruway bus that starts in Davis to connect with San Joaquin Train #702 in Sacramento will be extended to begin its trip in Martinez serving Suisun/Fairfield station, then to Davis, and Sacramento. The service levels remain the same for the section of the route between Oakland Jack London Square and San Jose (14 weekday trains) and between Sacramento and Auburn (two daily trains). Weekend service along the route will remain unchanged.

CCJPA’s BUSINESS PLAN STRATEGY IS TO OPTIMIZE THE CURRENT SERVICE PLAN, WHICH WILL REDUCE THE CURRENT CAPITOL CORRIDOR SERVICE LEVELS OF 32 WEEKDAY TRAINS BETWEEN SACRAMENTO AND OAKLAND TO 30 TRAINS (15 ROUND TRIPS) BY ELIMINATING A LOW PERFORMING OAKLAND-TO-SACRAMENTO MORNING TRAIN (20 RIDERS PER TRAIN PER WEEKDAY VS. 165 SYSTEM AVERAGE), AND MERGING TWO, LATE WEEKDAY EVENING SACRAMENTO-TO-OAKLAND TRAINS INTO ONE TRIP.

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

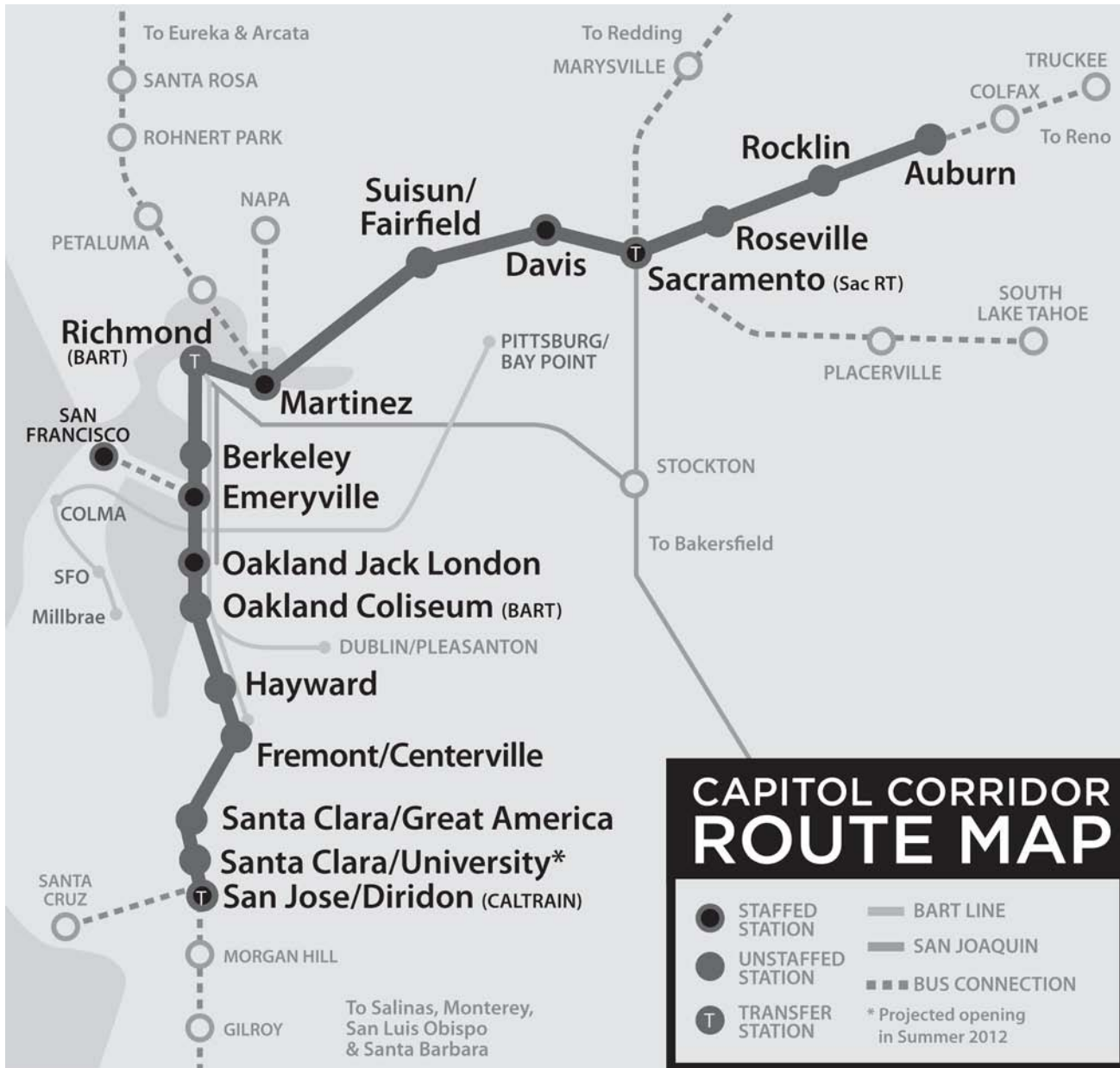
Presently, the Capitol Corridor serves 17 stations along the 170-mile rail corridor connecting Placer, Sacramento, Yolo, Solano, Contra Costa,

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 interests (such as local transportation agencies), along with the entities who help deliver the Capitol Corridor service – Amtrak, UPRR, Caltrans, and the various agencies and communities that are along the Capitol Corridor.

In April 2005, the CCJPA updated its Vision Plan, which identifies short- and long-term goals to guide the operating and capital development plans of the Capitol Corridor during the next five to

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



20 years. Over the development and submittal period of this Business Plan, the CCJPA will be updating its Vision Plan.

2. HISTORICAL PERFORMANCE OF THE SERVICE

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

In July 1998, an Interagency Transfer Agreement (ITA) transferred the operation of the Capitol Corridor service to the CCJPA for an initial three-year term. The CCJPA now operates and manages the Capitol Corridor service through an operating agreement with Amtrak. In July 2001, the ITA was extended for another three-year term through June 2004. In September 2003,

legislation was enacted that eliminated the sunset date in the ITA and established the current, permanent governance structure for the CCJPA.

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

3. OPERATING PLAN AND STRATEGIES

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

Train Service and Recent Expansions

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

budget allocation, the CCJPA increased service to 32 weekday (22 weekend day) trains between Sacramento and Oakland, and 14 daily trains between Oakland and San Jose. This 33% expansion was made possible with the completion of Phase 1 of the Oakland-to-San Jose track improvements and the Yolo Causeway second main track (completed in February 2004). Together, these projects contributed to a 10-minute reduction in travel time between Sacramento and Oakland, in addition to more frequent service.

THE BENEFITS OF THESE SERVICE EXPANSIONS, CORRESPONDING TRACK CAPACITY IMPROVEMENTS AND TRAIN EQUIPMENT ACQUISITIONS HAVE ENABLED THE CAPITOL CORRIDOR TO INCREASE MARKET SHARE AND SUSTAIN SIGNIFICANT GROWTH IN RIDERSHIP (+269%) AND REVENUES (+335%) DURING THE PAST 13 YEARS.

The success of the August 2006 service expansion has highlighted the need to increase service frequencies to San Jose/Silicon Valley and Placer County, Expanding this hourly train service to and from San Jose and Placer County will require additional rolling stock and further track capacity improvements (see Section 4). The additional rolling stock will address the need to increase seating capacity by adding more rail cars to the existing scheduled trains. This is the only practical means of increasing ridership during the increasingly

congested peak hours.

Most recently, in early 2012, Caltrain completed its renovations of its Santa Clara/University Station, adding a new, Capitol Corridor stop, opening up new travel markets to/from another international airport (Mineta/San Jose International Airport) and a fifth large-scale university (Santa Clara University).

The benefits of these service expansions, corresponding track capacity improvements and train equipment acquisitions have enabled the Capitol Corridor to increase market share and sustain significant growth in ridership (+269%) and revenues (+335%) during the past 13 years. These expansions have helped the Capitol Corridor to reach its status as the third busiest route in the Amtrak national system.

Motorcoach Service and Transit Connections

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

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

FY 2011-12 Operating Plan

The CCJPA's operating plan for FY 2011-12 maintained the same service levels as FY 2010-11:

- Sacramento – Oakland: 32 weekday trains (22 weekend day trains)
- Oakland – San Jose: 14 daily trains
- Sacramento – Roseville – Auburn: 2 daily trains

FY 2012-13 and FY 2013-14 Operating Plan

2012-13. With the completion of the Sacramento Railyards Relocation Project (Phase 1) and recognizing the limited financial (operating and capital) support from the State, the CCJPA plans to implement a service plan for FY 2012-13 that optimizes available resources and meets ridership demand. The CCJPA will redeploy the trainsets used in the morning, which will reduce the weekday service levels from 32 trains (16 round trips) to 30 trains (15 round trips) by eliminating a low performing Oakland-to-Sacramento morning train (Train #518 - 20 riders per weekday) and merging two, late weekday evening Sacramento-to-Oakland trains into one trip. An existing Davis to Sacramento Amtrak Thruway bus will be scheduled to begin its trip at Martinez that can replace the eliminated train #518. The bus will serve the Martinez and Suisun/Fairfield stations, as well as the current Davis and Sacramento stations and provide connections to San Joaquin train #702 to Bakersfield. This rationalization is expected to accrue annual operating cost savings of approximately \$1 million which will be used

**RATIONALIZATION OF
CCJPA'S FY 2012-13
OPERATING PLAN WILL RESULT
IN OPERATING COST SAVINGS
KEEPING OPERATING COSTS,
ESPECIALLY DIESEL FUEL
PURCHASES, UNDER CONTROL
WHILE ENSURING THE
CONTINUED OPERATION OF
HIGH-PERFORMING TRAINS.**

to address steep increases in diesel fuel prices, while ensuring the continued operation of high-performing trains. The corresponding CCJPA's operating plan for FY 2012-13 will be as follows, unless additional capital funding is secured to implement more train service to Placer County resulting in a net increase in system ridership and revenue:

- Sacramento – Oakland: 30 weekday trains (22 weekend day trains)
- Oakland – San Jose: 14 daily trains
- Sacramento – Roseville – Auburn: 2 daily trains (potential expansion to 4)

FY 2013-14. The CCJPA's operating plan for FY 2013-14 will remain the same as for FY 2012-13 with the possibility of the implementation of added trains to Placer County noted above.

While the passage of Proposition 22 (in the November 2, 2010 State ballot) protected all State funds designated for public transportation services (including the State's IPR Program), future funding levels will be dependent upon steady growth in the State operating and capital funding sources to allow the CCJPA to leverage any federal capital grants.

4. SHORT- AND LONG-TERM CAPITAL IMPROVEMENT PROGRAM

The CCJPA has developed a Capital Improvement Program (CIP) in partnership with the UPRR, Amtrak and the State, which will be used to continuously improve the Capitol Corridor's reliability, travel times, on-time performance and safety/security. Since the inception of the Capitol Corridor service, more than \$982 million from a mixture of funding sources has been invested to purchase rolling stock, build or renovate stations, upgrade track and signal systems for increased capacity, and construct train maintenance and layover/storage facilities. The CCJPA has tentatively secured (after several years of State budgetary delays) \$4.35 million for

projects designed to improve the Capitol Corridor service (\$3.35 million in partial funding for Oakland to San Jose Improvements, and \$1 million for Capitalized Maintenance, and \$580,000 for secure bicycle parking improvements).

The status of short and long term capital funding is characterized by rising uncertainty from year to year. Historically, the State has been the primary funding source for capital projects through the State Transportation Improvement Program (STIP), a biennial transportation funding program, and periodic general obligation bonds (Propositions 108, 116, 1A, and 1B). Special programs or direct project allocations from the State, such as the Traffic Congestion Relief Program (TCRP), or regional funds, such as Bay Area Regional Measure 2 (RM-2), have

BASED ON FUNDING ALLOCATION DECISIONS MADE AT THE STATE AND FEDERAL LEVEL, IT IS LIKELY THAT THE CCJPA'S CAPITAL IMPROVEMENT PROGRAM WILL BE DELAYED YEARS IF NOT DECADES.

periodically supplemented these sources. Of the tentative funds the CCJPA secured, the bulk of these funds are Proposition 1A, the High Speed Rail Bond, which were originally intended to be CCJPA's portion of funding to implement projects that would support intercity passenger rail connections to the planned California High Speed Rail system. The CCJPA further intended to use these funds as matching funds to the Federal Railroad Administration (FRA) administered HSIPR program – a program which would provide the basis for CCJPA to achieve the capital improvements necessary to expand service between Oakland and San Jose and also to Roseville. CCJPA and its partners were

successful with three grant projects from the first year of the five year program. At the federal level, HSIPR funding has been zeroed out in FY 2011 and FY 2012 and there is no clear picture if HSIPR might continue in another form beyond its sunset date of FY 2015. Not only has the federal matching program been effectively eliminated, only a small portion of the State's Proposition 1A bonds have been sold with none of that funding appropriated to CCJPA's intercity passenger rail program. As a result, the CCJPA's CIP list is expected to remain unrealized for years if not decades. A list of CIP projects that have been completed or are currently underway is included in Appendix B.

At the federal level, the US Department of Transportation's (USDOT) Transportation Investment Generating Economic Recovery (TIGER) grant program may have some applicability to some of the projects within CCJPA's CIP. Due to past TIGER grant criteria, not many CCJPA or CCJPA-partner projects have been well positioned for receipt of these funds. Typically, TIGER awards fall in the \$10-\$13 million range and require very high, non-federal matching percentages. For FY 12, it appears TIGER IV has been modified to include an intercity passenger rail component. The CCJPA hopes this level of allocation will continue as a federal resource to support intercity passenger rail.

Current Capital Improvements (FY 2010-11 – FY 2011-12)

Completed and ongoing capital expenditures include projects made possible by cost savings on prior capital projects. Cost savings created the opportunity for two high priority capital projects to be implemented. The second phase of track maintenance, which eliminates slow orders and helps maintain high on-time performance; and provision of "Wi-Fi" access to passengers—the number one requested passenger amenity. Wi-Fi also fulfills service needs as it provides the basis for wireless operational applications that can utilize the network.

Other current capital programs include projects implemented with Proposition 1B funding provided by the California Emergency Management Agency (CalEMA). Proposition 1B awards support safety and security projects and CalEMA obligates \$1.9 million per year for the Capitol Corridor, which are used with specially identified Transit Safety and Security funds. Several projects led by other organizations are also underway or programmed which will benefit the Capitol Corridor service.

The most significant ongoing aspects of CCJPA's CIP (along with partners who implement aspects of the CIP) were from FY 2009-10 where CCJPA and partners received \$29.2 million of the initial \$8 billion phase of the HSIPR program. CCJPA supported its partners at the City of Sacramento and Caltrain, who applied for Track 1 ("shovel-ready") HSIPR-ARRA funding with the Federal Railroad Administration. These funds did not require a State or local match. The

Sacramento Rail Relocation project will be opening in mid-2012 and San Jose Station Improvements were completed in February 2012. The third HSIPR grant was for the CCJPA's Yolo West Crossover which began construction in early 2012. See Table 4-1 for all projects underway or programmed.

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

CCJPA Sponsored Projects	Programmed/Underway	Budget	Funding Sources ¹	Description/benefits
Yolo West Crossover	Underway	\$5.00	HSIPR (federal funding)	Provides crossover point which will allow greater dispatching capability and increase track capacity
Sacramento to Roseville Third Main Track	Underway	\$3.53	RTIP/IIP	Environmental and initial design for a third main track between Sacramento and Roseville
Wireless Network Installation	Underway	\$4.45	Prop 1B ICR	WiFi launched 11/28/11 with balance of funds being used to enhance bandwidth
Capitalized Maintenance Ph 2	Underway	\$2.50	Prop 1B ICR	A track maintenance upgrade and enhancement program to retain high OTP
Capitalized Maintenance Ph 3	Programmed	\$1.00	STIP	A track maintenance upgrade and enhancement program to retain high OTP
Sacramento to Roseville Third Main Track Construction (Phase 1A)	Programmed	\$15.80	Prop 1A HST	Partial funding to implement an initial phase for eventual service expansion
Oakland to San Jose Track Improvements (Phase 2A)	Programmed	\$50.85	Prop 1A HST	Partial funding to implement the first set of projects in the second phase of eventual service expansion.
Bicycle Lockers/Parking Program for Stations	Programmed	\$0.58	STIP \$25K/FY13; \$556K/FY14	Program for adding bicycle storage at stations along the route
Positive Train Control	Programmed	\$35.00	Prop 1B TSS	CCJPA share (\$12M) enhances UPRR installed PTC system
SUB-TOTAL		\$118.71		
¹ All funding sources from the State of California unless noted				
Projects Sponsored by Others	Sponsor & Programmed/Underway	Budget	Funding Sources	Description/benefits
Fairfield-Vacaville Station	City of Fairfield/City of Vacaville Underway	\$44.00	Various local, regional, State and Federal sources	Build a new station at Peabody Road in the Fairfield-Vacaville area, including parking, platform, and other station amenities
San Jose Diridon Station Platform Project	Caltrain Underway	\$26.00	Various local, regional, State and federal sources	Add new platforms and track infrastructure at the San Jose Diridon Station
Cab Car Conversion	Caltrans Underway	\$8.30	State and federal sources	Converts the cab cars to create storage for 13 bicycles and/or luggage
Sacramento Station Platform Relocation	City of Sacramento Underway	\$70.95	Various sources including \$6.2M in HSIPR funding	Track and platform relocation setting the stage for extensive Sacramento Station upgrades, opening in 2012
Sacramento to Roseville Third Main Track	PCTPA Programmed	\$3.00	RTIP/IIP	Initial construction funding for a third main track between Sacramento and Roseville
New Rolling Stock	Caltrans Underway	\$54.00	Prop 1B ICR, HSIPR (federal funding)	Funds the addition of 10 cars and 2 locomotives for use in CCJPA operations
On-Board Information System (OTIS) - Wireless Network component	Caltrans Underway	\$1.00	Prop 1B TSS	Funds the wireless network build which is a component of the OTIS planned for the future
SUB-TOTAL		\$207.25		
TOTAL		\$325.96		
Legend: TSS = CA Prop 1B Transit System Security; HST = CA Prop 1A High Speed Train; HSIPR = High Speed Intercity Passenger Rail; ICR=Prop 1B Intercity Rail				

Short-Term Capital Improvements (FY 2012-13 – FY 2015-16)

The CCJPA's most valuable short term capital investment will be to continue the investment in capitalized track maintenance. This program plays a large role to ensure Capitol Corridor service is the top on-time performing intercity passenger rail service in the nation. In reviewing the anticipated capital funding coming to the intercity passenger rail program, it appears that there may be just enough programmed capital funding to keep this track maintenance work moving ahead.

Service Expansion

While it is encouraging to project supporting capitalized maintenance, CCJPA's largest capital need is funding for track improvements to expand service into Placer County as well as between Oakland and San Jose. The CCJPA's strategy is to remain poised to utilize any funding at the State or federal level should any bond sales, funding or new programs as announced which could support these service expansions. During FY 2010, the CCJPA, working with Caltrans, made programming commitments approved by the CTC for the dedicated \$47.5 million in Proposition 1A funding toward track capacity/service expansion projects between Oakland and San Jose. \$15.8 million (a one-third share of the \$47.5 million split between the three State IPR services) was programmed in "competitive" Proposition 1A funding toward service expansion in the Sacramento to Roseville territory. The actions taken in FY 2010 were done to position the State Prop 1A funds to be matches to the then funded HSIPR program. However, with the effective elimination of the HSIPR federal program, the implementation strategy for these improvements will have to change. Therefore, to achieve the service expansion projects, using State or local funding appears to be the only short

CALTRANS WAS SUCCESSFUL IN BRINGING TOGETHER HSIPR PROGRAM FUNDING (\$168 MILLION) AND \$42 MILLION IN STATE PROP 1B FUNDS TO ACQUIRE ADDITIONAL ROLLING STOCK. THE LEADERSHIP OF CALTRANS DIVISION OF RAIL TO ASSEMBLE THESE FUNDING SOURCES WILL DIRECTLY BENEFIT CCJPA AS 10 NEW PASSENGER CARS AND TWO NEW LOCOMOTIVES WILL BE ASSIGNED TO THE CAPITOL CORRIDOR.

term option. However, with some timing uncertainty (due to bond sales) or outright potential of the remaining Prop 1A funding from ever being released, short term improvements involving these service expansion projects are far from certain. With respect to these track expansion projects, the CCJPA's plan is to work with UPRR so that should any State or local funding become available, CCJPA could implement some initial phased aspect of these projects and the CCJPA would remain poised to bring any other source of capital funding to support implementing later phases.

Additional New Cars and Locomotives

The CCJPA and Caltrans, owner of the rolling stock, have both recognized the need for additional train cars to expand seating capacity and grow the State's intercity rail services. Caltrans was successful in bringing together HSIPR program funding (\$168 million) and in December 2011, the CTC approved \$42 million in Prop 1B funds to acquire additional rolling stock. The leadership of Caltrans Division of Rail to assemble these funding sources will directly benefit CCJPA as 10 new passenger cars and two new locomotives will be assigned to the Capitol Corridor.

Positive Train Control

Another crucial short-term capital project is implementation of Positive Train Control (PTC). Federal law requires that a PTC system be in place by 2015. Caltrans Division of Rail (as owner of the rail cars and locomotives) has initiated the work program to install on-board PTC equipment on the cab control cars and locomotives. The UPRR and Caltrain (as railroad owners) have begun to install wayside PTC equipment along their respective railroad tracks. The CCJPA plans to utilize upwards of \$12.0 million in Proposition 1B Transit Safety/Security funds as a possible source for the CCJPA's share of wayside PTC installation.

Long-Term Capital Improvements (FY 2016-17 – FY 2020-21)

The long-term projects (shown in Table 4-2) achieve service expansion goals, maintain infrastructure to support prior capacity expansion projects, as well as improve safety and operations through the building of grade separations and additional infrastructure-based upgrades. Given the uncertainty in funding at all levels, at best, the CCJPA can simply report its

long term projects, yet at this time is unable to identify any reliable funding sources which could support their implementation. Regardless of fiscal uncertainty, the CCJPA Board began a process in February 2012 to update the CCJPA Vision Plan which will guide the long term (as well as medium term) service plan for the Capitol Corridor serving as a framework for future capital investments.

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

THE CAPITOL CORRIDOR'S RIDERSHIP GROWTH BENEFITS THE ENVIRONMENT BY REDUCING AIR POLLUTION AND GREENHOUSE GAS EMISSIONS.

There are certainly longer-term projects that will require implementation beyond 2021. In addition to the track improvements in the southern and northern portions of the route, at some point the railroad bridge across the Carquinez Strait must be replaced with a higher elevation bridge that need not be opened for shipping traffic. This replacement, which will benefit freight and passenger rail, requires a new bridge infrastructure, land acquisition, and construction of the rail approaches into the bridge structure. This project is expected to be costly and require an extended effort from all involved.

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

READY TO GO PROJECTS (complete within 2 Years)				
CCJPA Sponsored Projects	Budget	Potential Funding Sources	Description/benefits	Status
Donner Pass Improvements for Placer County Service Expansion	\$50.00	UPRR, State Prop 1B [TCIF]	Capacity upgrades permitting one additional round trip to Auburn; resulting revenue and ridership increase	Top Tier 2 TCRP project for Northern California
SUB-TOTAL	\$50.00			
READY TO GO TOTAL	\$50.00			
SERVICE EXPANSION PROJECTS (complete within 2-10 Years)				
CCJPA Sponsored Projects	Budget	Potential Funding Sources	Description/benefits	Status
Oakland to San Jose Track Improvement Program Phase 2	\$253.83	State (Prop 1B, 1A), federal (HSIPR), and various Federal, State, and Local funds (matched already with \$47.5M in Prop 1A shown in table 4-1 and other potential matching funds based on project partnerships)	Program of track improvements (primarily adding second main tracks or connecting sidings) benefiting addition of service capacity between Oakland and San Jose which includes a new Union City Station (Union City station project to be managed by Union City)	Full project funding gap is extensive and will required a significant source of local, State, or federal funding to be realized
Roseville-Sacramento 3rd Main Track	\$280.00	Various Federal, State (STIP [IIP/RIP]) with \$3M in STIP-RIP and \$15.8M in Prop 1A (see table 4-1)	Program of track improvements in Placer County to allow increased service capacity	Full project funding gap is extensive and will required a significant source of local, State, or federal funding to be realized
Capitalized Maintenance Phase 4	\$8.00	State and/or future federal funding	Tie tamping and general track maintenance \$2M/year for four years	Top project selected given longer term STIP projections for State IPR program
SUB-TOTAL	\$541.83			
Projects Sponsored by Others	Budget	Potential Funding Sources	Description/benefits	Status
Hercules Station	\$48.00	Various federal, State, and Local sources	New station at Hercules	Full station funding plan required for CCJPA Board adoption; anticipated late 2012
Union City Station and Track Improvements	\$201.00	Various federal, State, and Local sources	New station at Union City with BART station and also track infrastructure/grade separation project	Significant funding hurdles in place for project; with HSIPR program diminished, CCJPA does not have much access to capital funding as a partner
SUB-TOTAL	\$249.00			
SERVICE EXPANSION TOTAL	\$790.83			
ALL PROJECTS COST TOTAL	\$840.83			

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

5. PERFORMANCE STANDARDS AND ACTION PLAN

The CCJPA's management program for the Capitol Corridor utilizes a customer-focused business model approach. It emphasizes delivering reliable, frequent, safe and cost-effective train service designed to sustain growth in ridership and revenue. During the past 14 years, ridership has trended upward by providing a viable, transport alternative to the parallel congested I-80/I-680/I-880 highway corridors that is competitive in terms of travel time, reliability and price.

CAPITOL CORRIDOR ENDED THE FISCAL YEAR AT 95% FOR ON-TIME PERFORMANCE (OTP). THE PRIMARY REASONS FOR THE HIGH LEVEL OF OTP IS AN EFFECTIVE CAPITALIZED MAINTENANCE PROGRAM AND UPRR'S COMMITMENT TO EFFECTIVE DISPATCHING TO KEEP THE CAPITOL CORRIDOR AND FREIGHT TRAINS OPERATING RELIABLY.

In addition to the typical performance metrics, it is worth examining the environmental impact of the Capitol Corridor's success and growth. The Capitol Corridor's ridership growth benefits the environment by reducing air pollution and greenhouse gas emissions. In California, approximately 58% of greenhouse gas emissions come from the transportation sector. Based on profiles of the Capitol Corridor rider from on-board surveys and the 1.7 million riders in FY 2010-11 (see Table 5-1), the Capitol Corridor generated 109 million passenger miles, which corresponds to over 79 million vehicle miles traveled (VMTs) removed from Northern California highways. This presumes that most trips replaced are automobile trips. The availability of the Capitol Corridor train service prevented roughly 14,890 tons of carbon dioxide from

entering the atmosphere in FY 2011. In addition, the State-owned fleet of locomotives is undergoing a retrofit program to exceed the latest federal emission standards and increase fuel efficiency.

The CCJPA develops performance standards for the Capitol Corridor service pursuant to State legislation that measures usage (ridership), cost efficiency (system operating ratio), and reliability (on-time performance). Table 5-1 summarizes the standards and results for FY 2010-11 and FY 2011-12 through December 2011, 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 2015-16.

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

Performance Standard	FY 10-11			FY 11-12			FY 12-13	FY 13-14
	Actual	Standard	% Change	Actual	Standard	% Change	Standard	Standard
Route Ridership	1,708,618	1,667,000	+8.1%	720,074 (through 2/12)	709,680 (through 2/12)	+1.5%	1,855,500	1,911,200
System Operating Ratio (train and feeder bus)	48%	49%	-2.2%	50% (through 2/12)	50%	- -%	52%	53%
On-Time Performance	95%	90%	+5.4%	94% (through 2/12)	90%	+4.5%	90%	90%

FY 2010-11 Performance Standards and Results

The service plan for FY 2010-11 maintained the service expansion that was initiated on August 28, 2006 with 32 weekday trains (22 weekend day) between Sacramento and Oakland and 14 daily trains between Oakland and San Jose (service between Sacramento and Roseville/Auburn remained at 2 daily trains). This is the maximum level of service attainable between San Jose and Sacramento/ Auburn with the current rolling stock and trainsets available and assigned to the Capitol Corridor, as well as the maximum train frequency approved by the UPRR and Caltrain.

FY 2010-11 was a record-setting year for the Capitol Corridor for ridership, revenues, and on-time performance (reliability). A slowly-recovering regional economy plus high service reliability helped to retain and grow ridership and increase the attractiveness of the Capitol Corridor as a viable, safe, frequent, customer-focused public transport service linking the three metropolitan regions in Northern California. Of special merit was the on-time performance, which ended the

fiscal year at 95% and continued to make the Capitol Corridor the most reliable train route in the Amtrak system. The primary reasons for the high level of OTP is an effective capitalized maintenance program and UPRR’s commitment to effective dispatching to keep the Capitol Corridor and freight trains operating reliably.

In FY 2010-11:

- Ridership set a record at 1.71 million riders, an increase of 8.1% over the prior FY.
- Revenue also set a record at \$27.2 million, an 11.5% improvement over FY2009-10.
- System operating ratio (a.k.a. farebox return) was 48%, above the 47% ratio in FY 2009-10.
- On-time performance (OTP) was an impressive 95%, keeping the Capitol Corridor as the most reliable IPR service in Amtrak’s national system.

FY 2011-12 Performance Standards and Results to Date

The CCJPA, in cooperation with Amtrak and Caltrans, developed the FY 2011-12 standards based on ridership, revenue, and operating expenses identified in the current FY 2011-12 CCJPA/Amtrak operating contract. These standards are presented in Table 5-1.

Ridership. Year-to-date (through February 2012) ridership is 7.6% above last year and 1.5% above business plan projections primarily due to rising gas prices, high service OTP, and modest economic recovery

Revenue. Year-to-date (through February 2012) revenue is 11.1% above last year and 1.4% above business plan projections.

System Operating Ratio. Year-to-date (through February 2012) system operating ratio (total revenues divided by fixed and variable operating costs, a.k.a. farebox return) is 50%, equal to the FY2011-12 standard of 50%.

On-Time Performance (OTP). Year-to-date (through February 2012) OTP is 94%, which is above the 90% standard and maintains the Capitol Corridor service as the most reliable train route in the Amtrak system.

FY 2012-13 and FY 2013-14 Performance Standards

Table 5-1 provides the preliminary performance standards for FY 2012-13 and FY 2013-14.

Appendix C shows the measures used to develop the performance standards. Currently, ridership and revenue are expected to grow at significantly lower rates than prior years due to uncertain economic conditions. The FY 2013-14 and future operating costs assume the implementation of Section 209 of PRIIA, which stipulates that all state-financed, Amtrak-operated intercity passenger rail (IPR) routes under 750 miles will be priced by Amtrak in a fair and equitable manner. To that end, state IPR agencies like the CCJPA, will work with Amtrak in developing future operating budgets and monitoring these costs for their respective IPR train services (like the Capitol Corridor). To that end, the CCJPA’s primary focus will be to work with Amtrak and affected states during FY 2012-13 on the implementation of the Section 209 operating pricing policy and ensure that the accounting and allocation of these costs are transparent and the CCJPA and the State are receiving the best value for the IPR service provided by Amtrak.

FY 2012-13 Action Plan

For FY 2012-13, the CCJPA will focus its work efforts on maintaining a successful service in terms of performance and customer satisfaction while attempting to implement several initiatives and capital projects if funding becomes available. The following actions attempt to meet or exceed the established performance standards and provide exceptional service to the public traveling on the congested I-80/I-680/I-880 transportation corridor.

1Q FY 2012-13

- Update CIP and funding sources based on programming capacity in the State FY 2012-13 budget
- Implement an updated on-train bicycle program and measures to increase on-train and secure station bicycle capacity

BICYCLE STORAGE DEMAND ON THE CAPITOL CORRIDOR TRAINS HAS OUTSTRIPPED THE CAPACITY TO MEET THAT DEMAND. IN FY 2012-13, THE CCJPA WILL IMPLEMENT AN UPDATED ON-TRAIN BICYCLE PROGRAM AND MEASURES TO INCREASE ON-TRAIN AND SECURE STATION BICYCLE CAPACITY.

- Secure State and federal funds to advance and complete programmed track and safety and security projects
- Work with Amtrak and affected states in the implementation of PRIA Section 209 Amtrak operation pricing policy (effective October 2013, FY 2013-14)
- Participate in the development of the planned Fairfield/Vacaville and Hercules stations and the Union City Intermodal Station/Dumbarton Rail commuter service
- Complete the final stages of construction of the Yolo Causeway crossover project
- Monitor performance and operation of e-Ticketing system
- Seek marketing and promotional partnerships to leverage added value and/or revenues
- Monitor and expand the programs with transit agencies to improve connectivity between the trains and local transit services

2Q FY 2012-13

- Evaluate measures to improve train and motorcoach bus performance, including modifications to the service
- Working with Caltrans and UPRR on an implementation plan to implement the trackside and on-train hardware to support the installation of the PTC signal safety system
- Seek Prop 1B Transit Safety/Security funds to support the FY 12-13 security improvements, including but not limited to cameras at stations, on trains and trackside safety points; and signal safety improvements such as Positive Train Control (PTC) being developed by UPRR
- Conduct onboard surveys to assess rider profile and solicit feedback on Amtrak's performance

3Q FY 2012-13

- Host Annual Public Workshops to present service plans and receive input
- Develop Annual Performance Report and other information to present an overview of current performance and future plans
- Develop revised Business Plan Update for FY 2013-14

4Q FY 2012-13 with operating costs based on new Amtrak pricing policy

- Conduct onboard surveys to assess rider profile and solicit feedback on Amtrak's performance
- Develop FY 2013-14 marketing program, including market research

FY 2013-14 Action Plan

This action plan for FY 2013-14 is preliminary and will be revised during the second half of FY 2012-13. The CCJPA intends to focus on:

- Working with the UPRR and Amtrak to continue ridership and revenue growth by improving reliability and implementing projects that add capacity and reduce travel times
- Monitoring development and manufacturing of additional rolling stock, safety and security upgrades and track and signal projects to meet service expansion plans
- Using the wireless network system as a basis on which to develop and deploy additional applications
- Working with Caltrans and UPRR on an implementation plan to implement the trackside and on-train hardware to support the installation of the PTC signal safety system
- Developing marketing programs that retain riders through expanded amenities, loyalty campaigns and offers; and increase ridership through market research
- Updating performance standards as necessary
- Working with Amtrak to secure additional cost efficiencies to be reinvested in service enhancements

6. ESTABLISHMENT OF FARES

The CCJPA will develop fares in conjunction with Amtrak to ensure the Capitol Corridor service is attractive and competitive with other transportation modes, including the automobile. Ticket types include standard one-way and roundtrip fares, as well as monthly passes and 10-ride

tickets valid for 45 days. These discounted multi-ride fares are competitive with other transportation options and have become increasingly popular due to the high number of repeat riders who use the Capitol Corridor trains as their primary means of travel along the corridor. The monthly and multi-ride tickets can be used year-round for all regularly scheduled train service. Reservations are unnecessary for any of the trains.

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

FY 2012-13 Fares

During the past 12 years, the CCJPA has incrementally increased fares based on service improvements such as added trains, reduced travel times and served new stations. In FY 2007-08, the CCJPA implemented a simplified fare structure that discontinued seasonal and holiday pricing and recalibrated city-pair multi-ride ticket prices to provide equitable fare tariffs among ticket types. This revised fare structure provides consistency to passengers by eliminating ticket price fluctuation and also enables the CCJPA to better manage revenue, leading to revenue growth that exceeds ridership growth. The CCJPA and Amtrak implemented strategic fare increases in FY 2011-12. CCJPA increased fares 2% in November 2011 and plans to increase fares in Spring 2012. Up to two (fare increases in the 2%-5% range are projected for FY 2012-13 to meet the operating budget and revenue projection. These projected increases in ticket prices will be thoroughly evaluated by the CCJPA and Amtrak. Both parties will consider factors such as ridership results, revenue levels, variable operating expenses (such as fuel), and overall economic conditions along communities in the corridor.

THE PROJECTED FARE STRUCTURE FOR FY 2013-14 WILL BE DEPENDENT UPON THE IMPLEMENTATION OF THE REVISED AMTRAK OPERATING PRICING POLICY FOR FY 2013-14.

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

- Customer loyalty and referral programs to attract new riders
 - Promoting ticket purchases online (through the unveiling of Amtrak's e-Ticketing initiative) and through the Quik-Trak Ticket Vending Kiosks installed at all Capitol Corridor stations
 - Highlight on-board amenities such as Wi-Fi and the Café Car to emphasize convenience
- Increased utilization of Amtrak's various e-ticketing initiatives will increasingly enable real-time validation and benefit customer convenience along with real time information on ridership and revenue data, leading toward better operating cost efficiencies

Together, these fare and ticketing programs for FY 2012-13 will enhance customer convenience and increase revenue yield through expanded Quik-Trak kiosk availability and improved revenue collection through the next phase of the ATV units in April 2012 as part of Amtrak's e-Ticketing initiative.

FY 2013-14 Fares

The projected fare structure for FY 2013-14 will be dependent upon the implementation of the revised Amtrak operating pricing policy for FY 2013-14. If operating expenses are stabilized or reduced, fare increases may not be necessary for FY 2013-14. The CCJPA will work with Amtrak on the impact of this revised operating policy to determine if the fare structure will be need to be adjusted and make any modifications with Amtrak as necessary. Opportunities include:

- Exploring Clipper smart-card fare collection technology or other current best-fit technology of a similar basis on the Capitol Corridor trains provided it can be incorporated into the Amtrak ticketing structure
- Continuing and expanding of transit connectivity programs such as the Transit Transfer Program, joint ticketing, and transfer of motorcoach bus routes to parallel local transit services

7. SERVICE AMENITIES, FOOD SERVICES, AND EQUIPMENT

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

Service Amenities

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

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

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

Wi-Fi. All cars in the fleet have Wi-Fi service which runs off of the “brain” car, or Café/diner car. This service is free to the customer and permits basic email, webpage viewing. Amtrak’s Wi-

INTRODUCTION OF FREE Wi-Fi SERVICE ON CYBER-MONDAY (NOVEMBER 28, 2011) FULLFILLED THE MOST REQUESTED PASSENGER AMENITY. THE Wi-Fi SYSTEM WILL ALSO BE THE BASIS FOR FUTURE OPERATIONAL APPLICATIONS.

Fi Connect prohibits streaming services which would use up excessive amounts of bandwidth for a limited number of users. After being the most requested passenger amenity for years free Wi-Fi service launched November 28, 2011. Power plug access at each seat has been available for years but couples with the Wi-Fi system and general need people have to charge their various electronic devices. The Wi-Fi system also is a basis for operational applications which will be added over time as resources and budget allow.

Bicycle Access. All Northern California Coach Cars have bicycle storage units that hold three bicycles on the lower level of the car. In addition, the 14 first generation California Cab Cars (8300-series) have been fitted with an additional bike rack in the lower level seating area that raises bicycle storage capacity for these cars to seven bicycles. The five Surfliner Cab Cars (6000-series) have storage space for up to 13 bicycles in the lower level baggage area. Over the next two years, all the 8300-series cab cars will be converted to hold 13 bicycles.

Bicycle storage demand on the Capitol Corridor trains has outstripped the capacity to safely meet that demand. In FY 2012-13, the CCJPA will implement an updated on-train bicycle program and measures to increase on-train and secure station bicycle capacity

Food and Beverage Services. CCJPA staff listened to passenger requests to enhance food choices and many improvements to the Café car menu were implemented in November 2011 along with some price adjustments. CCJPA is reaping the benefits of these improvements in customer satisfaction and increased sales of menu items. The new point-of sale registers have been installed and are working well. This upgrade will improve the efficiency and back-office management of the food and beverage service. We are currently evaluating the viability of providing food service promotions and advertisements via on-board flat screen monitors.

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

Equipment Acquisition, Maintenance, and Renovation

The CCJPA continues to work closely with Caltrans and Amtrak to refine the maintenance and operations programs to improve the reliability, safety, and cost-effectiveness of the rail fleet. The Capitol Corridor and San Joaquin routes now share a combined fleet of 15 F59PHI locomotives, 2 DASH-8 locomotives, and 85 bi-level passenger coaches and food service cars which include three upgraded Amtrak-owned Superliner Coach Cars. New fleet acquisitions under development will dramatically increase service capacity. In FY 2011, California has received \$171 million in FRA administered funding of which \$100 million is earmarked for 40 new coaches and 6 cleaner-burning locomotives for the Northern California fleet.

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

Current/Upcoming Work (FY 2010-11 and Beyond)

- The original fleet of locomotives owned by the State has been through an extensive State-funded renovation program that includes the rebuilding of auxiliary power motors, resulting in a marked improvement in performance and reliability and a reduction in carbon and particulate emissions.
- Starting in January 2010, Caltrans will begin a two-year project to replace the door operators and improve the performance of the wheelchair lifts on all coaches.
- The HVAC units, ducting and control systems will be renewed, providing better air quality and climate control using new environmentally friendly technology and refrigerants.
- As part of our safety and security program, all passenger coaches and locomotives will be equipped with a digital security camera system. This will provide the CCJPA with a valuable tool to protect equipment from vandalism and prevent accidents and injuries to passengers and crew. The security camera system program is planned for installation in FY 2012 subject to rolling stock availability.
- The fourteen California Cab cars will be converted to Cab/Baggage/Bike cars similar to the five newer Surfliner Cabs, to provide greater baggage storage and 13 more bike racks.

8. MARKETING STRATEGIES

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

FOR 2012, CCJPA WILL USE CAPITOL CORRIDOR’S RECENTLY DEVELOPED “NEXT STOP” ADVERTISING CAMPAIGN WHICH HIGHLIGHTS TRAIN AMENITIES AND DESTINATIONS.

Advertising Campaigns and Brand Awareness. Major media campaigns inform leisure and business travel audiences about the advantages of train travel, including service attributes, promotions/pricing, and destinations. Recent advertising efforts included radio spots, local television, traffic sponsorships, and online paid search. This mix is continually adjusted to ensure consistent

visibility in the target markets. For 2012, CCJPA will use Capitol Corridor’s recently developed “Next Stop” advertising campaign which highlights train amenities and destinations. The campaign emphasizes the Capitol Corridor brand, in accordance with the CCJPA Board’s edict to create a distinct, regional brand for Capitol Corridor and strengthen brand awareness throughout the service area.

Targeted Marketing Programs. The CCJPA will continue successful programs that target specific markets, such as the popular Seniors Save 50% discount program to boost midday, mid-week travel. Destination-focused promotions highlight riding the train to events such as Oakland A’s games, which create awareness of the train as a way to reach other leisure destinations throughout Northern California. Additionally, the CCJPA continues to refine our customer retention efforts through Rider Appreciation programs and expansion passenger-focused communication channels.

Partnership Brand Marketing. The Capitol Corridor’s Strategic Marketing Partnership Program has established a catalog of marketing assets and associated metrics to enhance the CCJPA’s trade promotion negotiations. These assets enable selected partners to market their products through Capitol Corridor marketing channels such as interior, exterior, and station signage, and electronic media. The program now has a solid foundation for increasing value and revenues to the advertising program through leveraging partnerships with well-known organizations that share similar target audiences to increase the visibility of the Capitol Corridor brand. This work is increasingly important as advertising channels multiply, yet our marketing budget remains flat.

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

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

- An updated website, e-newsletter, flyers, and posted signs to inform customers about service changes, promotions, and special events
- Leveraging Capitol Corridor’s online presence across the Internet includes integration with transit-related online tools such as Google Transit, selective participation in online social networking sites such as Facebook and Twitter, and listings in informational portals/directories
- Coordinating communications between Contact center, Marketing and Operations staff to ensure customers receive clear and up-to-date information about the Capitol Corridor service and promotions
- Implementation of an enhanced passenger service advisory system, including SMS text and e-mail service alerts. Customers can sign up electronically to receive up-to-the minute advisories via email or mobile devices.

Customer Relations. The CCJPA views communication with passengers as the cornerstone of our customer-focused service delivery. We encourage passengers to provide input on our service performance through comment cards on the trains, phone calls, letters, and email. We use this feedback to identify and prioritize service modifications, capital improvements, and desired amenities in the service. In FY 2012, CCJPA hopes to enhance its marketing efforts with more targeted promotions and outreach via a Customer Relationship Management (CRM) program if funding resources are available. CCJPA has developed a preliminary CRM plan in accordance with CRM industry standards and has applied for funding to implement a system. CRM deployment will enable the Capitol Corridor to strengthen its relationship with customers by learning about their travel preferences and then delivering more targeted promotions. It will also support efforts to follow-up on customer service issues.

MEDIA RELATIONS EFFORTS GARNERED \$1.3 MILLION IN EARNED MEDIA VALUE FOR FY 2011 WHICH IS THE MOST NEWS COVERAGE THE CAPITOL CORRIDOR HAS ACHIEVED IN ITS OPERATING HISTORY.

Public Relations. CCJPA’s public and media relations efforts soared in FY 2011, breaking previous thresholds. Rising gas prices, record-breaking performance results, a media relations partnership with APTA, the annual Fight Hunger food drive and other news worthy issues helped to garner over \$1.3 million in earned media value for this federal fiscal year—the most news coverage the Capitol Corridor has achieved in its operating history. The CCJPA intends to build on this wave of media popularity in FY 2012 to help promote intercity passenger rail as a preferred transit mode.

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

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

FY 2012-2013 Marketing Program

The CCJPA’s FY 2012-2013 Marketing Program will focus on continuing to drive ridership to trains with available capacity by emphasizing the convenience of modern train travel and targeting service periods with the highest growth potential.

CCJPA STAFF LISTENED TO PASSENGER REQUESTS TO ENHANCE FOOD CHOICES AND MANY IMPROVEMENTS TO THE CAFÉ CAR MENU WERE IMPLEMENTED IN NOVEMBER 2011.

The CCJPA will continue its own independent campaigns, and develop Capitol Corridor as a distinct regional service brand. CCJPA will also coordinate with local partners, Amtrak and Caltrans on the most beneficial promotions, outreach, and shared marketing collateral. New marketing collateral will help build awareness of the Capitol Corridor’s amenities and provide a cohesive theme for media campaigns and promotions. Marketing initiatives will also enhance communications and service to customers. Key elements will include:

- Joint media promotions with well-known organizations and continued coordination with Amtrak and Caltrans on selected events intended to maximize media dollars and expand market reach
- Expansion of social media marketing through networks such as Facebook and Twitter to engage with customers, enhance communications and increase brand visibility
- Development of mobile-friendly website to improve communication to customers
- Targeted marketing to school groups, senior citizens, special interest groups, and select demographic and niche markets
- Public relations campaigns to maximize awareness of the Capitol Corridor brand and service and increase positive news media coverage

FY 2013-2014 Marketing Program

The CCJPA will place continued emphasis on the Capitol Corridor brand to increase regional brand awareness and maximize use of the marketing budget. Longer-term plans include additional customer outreach and reinvigorated retention efforts via a deployed Customer Relationship Management (CRM) program and development of mobile applications to enhance customer communications. Marketing and communication efforts will emphasize CCJPA’s commitment to high quality, customer-focused passenger rail service and continue to personalize the service.

9. ANNUAL FUNDING REQUIREMENT: COSTS AND RIDERSHIP PROJECTIONS

The primary purpose of this Business Plan Update, as identified in the ITA, is to request the annual funds required by the CCJPA to operate, administer, and market the Capitol Corridor service for agreed-upon service levels. Previous sections in this document describe the proposed operating plan, planned service improvements, and capital improvements for FY 2012-13 and FY 2013-14.

FY 2012-13 and FY 2013-14 Operating Costs

Based on the Operating Plan and Strategies (Section 3), the CCJPA has developed a draft estimate for FY 2012-13 and FY 2013-14 operating expenses. The operations budgets have been developed to incorporate Amtrak's new cost allocation and accounting system, Amtrak Performance Tracking (APT). In addition, the operating costs for FY 2013-14 are based on the implementation of a new pricing policy for Amtrak-operated, state-financed intercity passenger rail routes under 750 miles pursuant to Section 209 of the Passenger Rail Improvement and Investment Act of 2008 (PRIIA). This policy has been developed with input from all states that have such IPR services under 750 miles and results in a fair, transparent, and equitable allocation of operating costs. From initial estimates provided by Amtrak, the FY 2013-14 operating expenses for the Capitol Corridor as managed by the CCJPA are projected to decrease slightly when compared to FY 2011-12 and FY 2012-13. These budget estimates are preliminary and will be refined and revised by Amtrak.

THE OPERATING COSTS FOR FY 2013-14 ARE BASED ON THE IMPLEMENTATION OF A NEW PRICING POLICY FOR AMTRAK-OPERATED, STATE-FINANCED INTERCITY PASSENGER RAIL ROUTES UNDER 750 MILES PURSUANT TO SECTION 209 OF THE PASSENGER RAIL IMPROVEMENT AND INVESTMENT ACT OF 2008 (PRIIA) WHICH RESULTS IN A FAIR, TRANSPARENT, AND EQUITABLE ALLOCATION OF OPERATING COSTS.

Projected operating costs are shown in Table 9-1 and include the basic train service and associated feeder bus service, including the CCJPA's proportionate share of costs relating to the local transit service partnerships. Ridership and revenue levels are expected to grow at a conservative, minimal rate for FY 2012-13 and FY 2013-14, given projected slow growth in the economy in California. As these projections are estimates, the CCJPA will work with Amtrak to refine operating expenses and/or increase revenue yield.

FY 2012-13 and FY 2013-14 Marketing Expenses

The CCJPA's marketing budget for FY 2012-13 and FY 2013-14 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 2012-13 and FY 2013-14 Administrative Expenses

Table 9-1 identifies the estimate for the FY 2012-13 and FY 2013-14 budgets that support the administrative activities of the CCJPA for the Capitol Corridor service.

FY 2012-13 and FY 2013-14 Total Budget

Compared to the current period (FY 2010-11), the FY 2012-13 and FY 2013-14 total budgets for operating, marketing, and administrative costs of the CCJPA are expected to increase slightly by 2.5% in FY 12-13 and decrease by 1.4% in FY 13-14. The projected increase in FY 12-13 is primarily due to the anticipated increases in operating costs (fuel and Amtrak labor rate increases) while the decrease in FY 13-14 is due to the implementation of the Amtrak operating policy relating to PRIIA Section 209, which the Governor Office's adopted in October 2011.

The Capitol Corridor service will remain a part of the State's IPR 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).

10. SEPARATION OF FUNDING

As identified in the Joint Exercise of Powers Agreement (JEPA) for the CCJPA, the Controller-Treasurer of the Managing Agency of the CCJPA will perform the functions of Treasurer, Auditor, and Controller of the CCJPA. BART's prior agreement with the CCJPA to serve as the CCJPA's Managing Agency was first renewed in February 2005 for a five-year term through February 2010, and was presented to the CCJPA Board in February 2010 for an additional five-year term, consistent with the enactment of AB 1717 in September 2003. This longer term will allow the CCJPA Board to more effectively measure the performance of the Managing Agency.

As identified in the ITA, the State performs audits and reviews of CCJPA's Capitol Corridor service-related financial statements. In addition, the CCJPA requires that the Controller-Treasurer shall provide for an annual independent audit of the accounts of the CCJPA within six months of the close of the State fiscal year. BART has established the appropriate accounting and financial procedures to ensure that the funds secured by the CCJPA during FY 2010-11 and FY 2011-12 to support the Capitol Corridor service are solely expended to operate, administer and market the service.

11. CONSIDERATION OF OTHER SERVICE EXPANSIONS AND ENHANCEMENTS

Consistent with the CCJPA's Vision Plan, which will be updated starting in February 2012, this section presents service expansion and enhancement opportunities beyond the CCJPA's FY 2012-13 and FY 2013-14 service plans and funding requirements. Planning for potential new services will require securing capital improvements, additional operating funds, and institutional agreements.

State Rail Plan

A new State Rail Plan will be developed to become compliant with the FRA which has actively

A NEW FRA COMPLIANT STATE RAIL PLAN IS BEING DEVELOPED CONSISTENT WITH THE FEDERAL PRIIA LEGISLATION IN PASSED IN 2008. THIS NEW PLAN WILL INCORPORATE NOT ONLY THE IPR SERVICES, BUT ALSO THE PLANNING EFFORTS FOR THE CALIFORNIA HIGH SPEED RAIL SYSTEM.

engaged the states to grow the federal involvement and funding in passenger (intercity and high-speed) rail since the establishment of the PRIIA legislation in 2008. The FRA awarded Caltrans Rail Division funding to develop and release a coordinated State Rail Plan which will be done to conform to meeting Federal planning requirements. This new plan will incorporate not only the IPR services, but also the planning efforts for the California High Speed Rail system. The planning for the California High Speed Rail service will first involve San Jose but later the Sacramento station. Each of the stations will be strategic intermodal facilities as the Capitol Corridor will be an important feeder/distributor to the High Speed Rail system. The CCJPA is already participating with Caltrans Division of Rail in this state wide effort. Beyond those already highlighted interactions with the High Speed Rail system, the expansions which CCJPA will specifically

address are those service improvements between Sacramento, Roseville, and Auburn and the Oakland to San Jose territory.

Rail Service Expansion Planning

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

Table 9-1
CCJPA FY 2012-13 - FY 2013-14 Funding Requirement
Capitol Corridor Service

Service Level	Current	PROPOSED	
	FY 2011-12 Budget	FY 2012-13 Budget	FY 2013-14 Budget
Sacramento-Oakland			
Weekday	32	30	30
Weekend	22	22	22
Oakland-San Jose			
Weekday	14	14	14
Weekend	14	14	14
Sacramento-Roseville	2	2	2
Roseville-Auburn	2	2	2
Ridership (a)	1,806,428	1,855,500	1,911,200
Total Train Operating Expenses	\$ 56,927,851	\$ 58,352,553	\$ 57,076,461
Equipment Capital Costs	\$ -	\$ -	\$ 750,000
Total Train Expenses	\$ 56,927,851	\$ 58,352,553	\$ 57,826,461
Total Bus Expenses	\$ 2,090,982	\$ 2,254,000	\$ 2,321,600
TOTAL Expenses (a)	\$ 59,018,833	\$ 60,606,553	\$ 60,148,061
Train Revenue	\$ 27,947,557	\$ 29,345,801	\$ 30,079,060
Bus Revenue	\$ 1,783,887	\$ 1,873,136	\$ 1,919,940
TOTAL Revenue (a)	\$ 29,731,443	\$ 31,218,937	\$ 31,999,000
CCJPA Funding Requirement			
CCJPA Operating Costs	\$ 29,287,390	\$ 29,387,616	\$ 28,149,061
Insurance for State-Owned Equipment (b)	\$ 319,000	\$ 350,000	\$ 350,000
Minor Capital Projects (c)	\$ -	\$ -	\$ 350,000
Subtotal-CCJPA Operating Expenses	\$ 29,606,390	\$ 29,737,616	\$ 28,849,061
Marketing (d)	\$ 1,174,000	\$ 1,174,000	\$ 1,174,000
Administrative Expenses (e)	\$ 2,951,000	\$ 2,951,000	\$ 2,951,000
TOTAL CCJPA Funding Request	\$ 33,731,390	\$ 33,862,616	\$ 32,974,061
Difference from FY11-12 Budget		\$ 131,226	\$ (757,329)
Percent Change from FY11-12 Budget		0.39%	-2.25%

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

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

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

(d) Due to State budget constraints, the FY 2012-13 and FY 2013-14 marketing expenses will be capped at the same levels as the seven prior fiscal years (\$1,174,000). Does not include contributions by Amtrak or additional resources provided by the State (i.e., market research program).

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

The CCJPA will remain engaged with other rail service expansion options being pursued in communities throughout Northern California. One such directly interfacing rail service is the planned Dumbarton Rail service. The planning effort for Dumbarton Rail is focusing other implementation options since cost and funding for the original envisioned full rail service alternative have become challenges for the project. The planned rail alternative would interface with Capitol Corridor service and CCJPA's plans for service expansion to San Jose most notably

in the Union City and Fremont areas. The CCJPA continues to monitor the project development and, when capital projects in these areas are planned, the CCJPA will coordinate with the planning team (VTA, Caltrain, Union City, Fremont, Hayward, Newark and various San Francisco Peninsula communities) if, and when, funding and project implementation become viable.

With any service expansions, the goal is to ensure that these proposed service extensions provide mutual cost savings through the use of joint facilities and equipment. As a vital element in California's passenger rail community, the CCJPA has developed working relationships with:

- San Joaquin Corridor service
- Amtrak National Network (California Zephyr and Coast Starlight)
- Altamont Commuter Express service (Stockton – Livermore – San Jose)

APPENDICES

APPENDIX A

Capitol Corridor Historical Performance

Fiscal Year	Daily Trains	Total Ridership	% Change Prior Year	Riders Per Day	Revenue*	% Change Prior Year	Operating Expenses*	% Change Prior Year	Farebox Ratio*	State Costs*
SFY 91/92 (a)	6	173,672	--	864	\$1,973,255	--	\$4,848,967	--	40.7%	\$1,592,907
SFY 92/93	6	238,785	--	650	\$2,970,103	--	\$8,333,093	--	35.6%	\$6,712,017
SFY 93/94	6	364,070	52.5%	1,000	\$3,598,978	21.2%	\$9,911,735	18.9%	36.3%	\$6,714,761
SFY 94/95	6	349,056	-4.1%	960	\$3,757,146	4.4%	\$9,679,401	-2.3%	38.8%	\$6,012,315
SFY 95/96 (b)	8	403,050	15.5%	1,100	\$4,805,072	27.9%	\$11,077,485	14.4%	43.4%	\$6,434,940
SFY 96/97	8	496,586	23.2%	1,360	\$5,938,072	23.6%	\$20,510,936	85.2%	29.0%	\$9,701,519
FFY 97/98 (c)	8	462,480	-6.9%	1,270	\$6,245,105	5.2%	\$20,527,997	0.1%	30.4%	\$11,404,143
FFY 98/99 (d)	10/12	543,323	17.5%	1,490	\$7,314,165	17.1%	\$23,453,325	14.3%	31.2%	\$16,022,024
FFY 99/00 (e)	12/14	767,749	41.3%	2,100	\$9,115,611	24.6%	\$25,672,749	9.5%	35.7%	\$16,440,540
FFY 00/01 (f)	14/18	1,073,419	39.8%	2,941	\$11,675,117	28.1%	\$28,696,741	11.8%	40.7%	\$17,680,477
FFY 01/02	18	1,079,779	0.6%	2,960	\$12,201,602	4.5%	\$32,842,038	14.4%	37.2%	\$20,590,919
FFY 02/03 (g)	18/20/22/24	1,142,958	5.9%	3,130	\$12,800,469	4.9%	\$36,469,383	11.0%	38.1%	\$21,540,910
FFY 03/04	24	1,165,334	2.0%	3,190	\$13,168,373	2.9%	\$35,579,266	-2.4%	37.2%	\$22,708,181
FFY 04/05	24	1,260,249	8.1%	3,450	\$15,148,333	15.0%	\$35,110,571	-1.3%	43.2%	\$19,962,238
FFY 05/06 (h)	24/32	1,273,088	1.0%	3,490	\$16,014,636	5.7%	\$35,147,033	0.1%	45.8%	\$19,132,397
FFY 06/07	32	1,450,069	13.9%	3,970	\$19,480,992	21.6%	\$40,533,332	15.3%	48.1%	\$21,052,340
FFY 07/08	32	1,693,580	16.8%	4,640	\$23,822,862	22.3%	\$43,119,290	6.4%	55.2%	\$22,265,039
FFY 08/09	32	1,599,625	-5.5%	4,383	\$23,505,602	-1.3%	\$50,159,032	16.3%	47.0%	\$25,113,642
FFY 09/10	32	1,580,619	-1.2%	4,330	\$24,372,185	3.7%	\$52,843,973	5.4%	46.0%	\$27,499,149
FFY 10/11	32	1,708,618	8.1%	4,681	\$27,176,573	11.5%	\$56,699,385	7.3%	48.0%	\$29,158,222
FFY 11/12 (i)	32	720,074	7.6%	4,737	\$11,983,043	11.1%	\$23,969,807	8.5%	50.0%	\$11,986,764

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

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

- a. Statistics available for partial year only because service began in December 1991.
- b. Increase to 8 trains began in April 1996.
- c. Statistics presented for FFY 97/98 and each subsequent FFY to conform with Performance Standards developed by BT&H.
- d. 10 trains began on October 25, 1998 and 12 trains began on February 21, 1999.
- e. 14 trains began on February 28, 2000 .
- f. 18 trains began on April 29, 2001.
- g. 20 trains began on October 27, 2002; increase to 22 trains began on January 6, 2003; increase to 24 trains began on April 28, 2003.
- h. 32 trains began on August 26, 2006 (with increase to 14 daily trains to/from San Jose).
- i. Year-to-date data through February 2012 including estimated operating expenses and State costs through February 2012

APPENDIX B
PROGRAMMED OR COMPLETED CAPITOL CORRIDOR PROJECTS

Programmed or Completed Projects (Preliminary and Tentative - Subject to Revision)	Costs
Station Projects	
Colfax	\$2,508,165
Auburn	\$3,131,656
Rocklin	\$2,114,173
Roseville	\$1,619,104
Sacramento*	\$81,749,526
Davis	\$5,576,643
Fairfield/Vacaville	\$44,000,000
Suisun/Fairfield	\$3,834,049
Martinez*	\$38,145,628
Richmond*	\$22,384,408
Berkeley	\$4,745,500
Emeryville*	\$13,502,136
San Francisco – Ferry Building*	\$584,842
Oakland Jack London Square*	\$20,469,077
Oakland Coliseum	\$6,132,000
Hayward	\$1,782,500
Fremont/Centerville	\$3,544,050
Great America/Santa Clara	\$3,082,627
San Jose Diridon	\$79,638,542
Platform Signs	\$63,101
Real-time message signs	\$2,344,842
Other	\$4,990,575
SUBTOTAL – Station Projects	\$345,943,144
*shared stations with the San Joaquin route	
Track and Signal Projects	
Placer County	\$500,000
Auburn Track and Signal Improvements	\$350,000
Sacramento – Roseville (3 rd Track) Improvements	\$6,950,000
Yolo Causeway 2 nd Track	\$14,555,533
Yolo West Crossover	\$5,000,000
Sacramento – Emeryville	\$60,219,132
Oakland – Santa Clara (Hayward Line) [1991]	\$14,900,000
Niles Junction – Newark (Centerville Line)	\$10,667,740
Sacramento – San Jose C-Plates	\$14,156
Oakland – San Jose	\$62,755,333
San Jose 4 th Track	\$41,850,000
Bahia-Benicia Crossover Project	\$4,190,000
Harder Road (Hayward) Undercrossing [2001]	\$8,898,000
Positive Train Control (estimated CCJPA share \$12M)	\$35,000,000
SUBTOTAL – Track and Signal Projects	\$265,849,894
Maintenance and Layover Facility Projects	
San Jose (Pullman Way) Maintenance Facility	\$5,789,862
Oakland Maintenance Facility (new – owned by the State)	\$64,135,956
Oakland Maintenance Base (former site)	\$464,884
Colfax/Auburn Layover Facility	\$691,956
Roseville Layover Facility	\$157,702
Sacramento Layover Facility	\$941,316
Capitalized Maintenance ¹	\$5,500,000
SUBTOTAL – Maintenance and Layover Facility Projects	\$77,681,676
Rolling Stock (California Cars and Locomotives – owned by the State)	
Base Rolling Stock	\$235,282,226
2012 Ordered Rolling Stock added to Northern CA pool	\$57,435,192
SUBTOTAL – Rolling Stock	\$292,717,418
TOTAL – PROGRAMMED¹ OR COMPLETED PROJECTS	\$982,191,432

**APPENDIX C
CAPITOL CORRIDOR PERFORMANCE STANDARDS FY 2010-11 TO FY 2015-16**

PERFORMANCE STANDARD	FY 2010-11				FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
	ACTUAL	STANDARD	VARIANCE ACTUAL TO STANDARD	PERCENT CHANGE	STANDARD	PRELIMINARY STANDARD	PRELIMINARY STANDARD	PRELIMINARY STANDARD	PRELIMINARY STANDARD
NUMBER OF DAILY TRAINS (SAC-OAK)		32			32	30	30	30	30
USAGE									
Route Ridership	1,708,618	1,667,000	41,618	2.5%	1,806,428	1,855,500	1,911,200	1,968,536	2,027,592
Average Daily Ridership	4,681	4,567	114	2.5%	4,949	5,084	5,236	5,393	5,555
Percent Change in Route Ridership	8.1%	5.5%	-	-	8.4%	2.7%	3.0%	3.0%	3.0%
Percent Change in Train Passenger Miles	7.8%	1.8%	-	-	13.1%	2.4%	3.0%	3.0%	3.0%
Percent Change in Train Miles	3.4%	2.3%	-	-	0.0%	-3.8%	0.0%	0.0%	0.0%
Passenger Miles per Train Mile (PM/TM)	89.9	85.8	4.2	4.9%	97.0	103.3	106.4	109.6	112.9
COST EFFICIENCY									
System Operating Ratio (as calculated by CCJPA)	48%	49%	-1.3%	-	50%	52%	53%	53%	52%
Percent Change in Total Revenue	12.2%	14.8%	-	-	6.9%	5.0%	2.5%	2.0%	2.0%
Percent Change in Total Expenses	6.6%	6.1%	-	-	4.6%	2.7%	-0.8%	2.8%	2.8%
Train Revenue per Train Mile	\$21.06	\$21.75	-\$0.69	-3.2%	\$23.26	\$25.40	\$26.03	\$26.55	\$27.09
Train Revenue per Passenger Mile (Yield)	\$0.234	\$0.254	-\$0.02	-7.7%	\$0.240	\$0.247	\$0.252	\$0.257	\$0.262
Train Expenses per Train Mile	\$45.45	\$45.23	\$0.22	0.5%	\$47.34	\$48.05	\$49.49	\$50.97	\$52.50
Train Only State Cost per Train Mile	\$24.39	\$23.47	\$0.91	3.9%	\$24.07	\$25.11	\$24.02	\$24.42	\$25.42
Train Only State Cost Per Passenger Mile	\$0.27	\$0.27	\$0.00	-0.9%	\$0.25	\$0.24	\$0.23	\$0.22	\$0.23
SERVICE QUALITY									
On Time Performance	95%	90%	5%	-	90%	90%	90%	90%	90%
Percent of California Car Fleet Available	87.0%	87%	0%	-	87%	87%	87%	87%	87%
OPERATING RESULTS									
TRAIN AND BUS									
Total Revenue	\$ 27,185,916	\$27,800,000	-\$614,084.00	-2.2%	\$29,731,443	\$31,218,937	\$31,999,000	\$32,638,980	\$33,291,760
Total Expenses	\$ 56,699,385	\$56,421,683	\$277,701.63	0.5%	\$59,018,833	\$60,606,553	\$60,148,061	\$61,802,133	\$63,501,691
Total State Operating Cost ^	\$ 29,158,222	\$29,181,683	-\$23,461.00	-0.1%	\$29,606,390	\$29,737,616	\$28,849,061	\$29,963,153	\$31,009,932
TRAIN ONLY									
Train Only Revenue	\$25,554,761	\$26,132,000	(577,239)	-2.2%	\$27,947,557	\$29,345,801	\$30,079,060	\$30,680,641	\$31,294,254
Train Only Expenses	\$ 55,146,060	\$54,330,701	815,359	1.5%	\$56,865,121	\$58,352,553	\$57,826,461	\$58,893,507	\$60,660,312
Train Only State Operating Cost	\$29,591,299	\$28,198,701	1,392,598	4.9%	\$28,917,564	\$29,006,752	\$27,747,401	\$28,212,866	\$29,366,058
Passenger Miles	109,146,487	103,031,600	6,114,887	5.9%	116,560,557	119,395,452	122,979,567	126,668,954	130,469,023
Train Miles	1,213,458	1,201,305	12,153	1.0%	1,201,305	1,155,405	1,155,405	1,155,405	1,155,405

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

**APPENDIX D
RIDERSHIP RESULTS**

