



2016 Performance Report

CAPITOL CORRIDOR JOINT POWERS AUTHORITY



Welcome Aboard!

Once again, FY 2016 was a record-setting year for the Capitol Corridor, which is also celebrating its 25th Anniversary of service this December 2016. Capitol Corridor shattered records across the board for ridership, revenues, and system operating (farebox) ratio. For FY 2016, ridership and revenues were up 5.8% at 1.56 million passengers, and 6.7% at \$32 million, respectively, over FY 2015. The FY 2016 farebox ratio of 55% is an all-time high in the history of the service, and can be attributed to lower fuel prices, reduced operating expenses, and actual ridership and revenues that exceeded budget forecasts. The Capitol Corridor Joint Powers Authority (CCJPA) has steadily grown ridership while building a solid record of financial and operational success. In FY 1998, annual ridership was just 463,000; 18 years later, ridership and revenue have more than tripled.

For service reliability, Capitol Corridor once again held the top spot out of 47 Amtrak routes nationwide, with a FY 2016 On-Time Performance (OTP) record of 94%, making it seven consecutive years in #1 position. The superior punctuality of the Capitol Corridor reflects Union Pacific Railroad's

A TRACK RECORD OF SUCCESS EIGHTEEN YEARS OF CCJPA MANAGEMENT

	SERVICE LEVEL	RIDERSHIP	REVENUE	REVENUE TO COST RATIO
FY 2016	30 Daily Trains	1,560,814	\$32.2 Million	55%
(PRE-CCJPA) FY 1998	8 Daily Trains	463,000	\$6.25 Million	30%
18 YEAR IMPROVEMENT FY 1998-2016		+275%	+237%	+83%

(UPRR) strong partnership with the CCJPA to provide the safe, reliable movement of Capitol Corridor trains along a rail corridor shared with high-priority freight trains.

Customer satisfaction is also at an all-time high, with 89% of customers stating that they are “Highly Satisfied.” These results, rated through Amtrak’s Customer Satisfaction Index, are now collected via electronic surveys sent to riders in real-time after they finish their train trip. The 89% “Highly Satisfied” overall rating is the highest score in the history of the service.

For FY 2016, service levels remained at 30 weekday trains with 22 trains on weekends and holidays. This high frequency service level represents the most weekday trains for state-supported Amtrak routes in the nation and provides expanded choices to the traveling public passengers along the route. These achievements were made possible by focusing on operational efficiency, safety and security; collaborative planning and partnerships; a commitment to superior customer service; and the adoption of new technologies to make the passenger experience safe, enjoyable and convenient.

OUR VISION

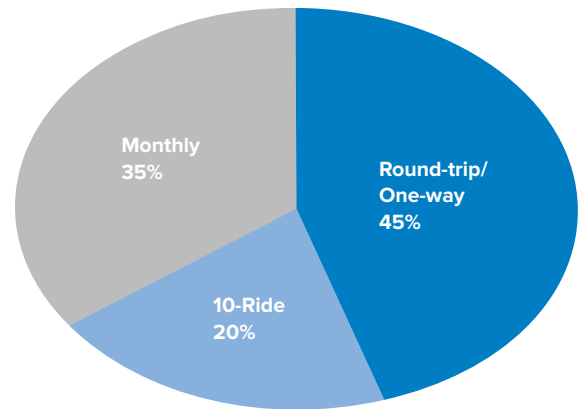
The CCJPA’s priorities and guiding values are described in our Vision Statement. We exist to:

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

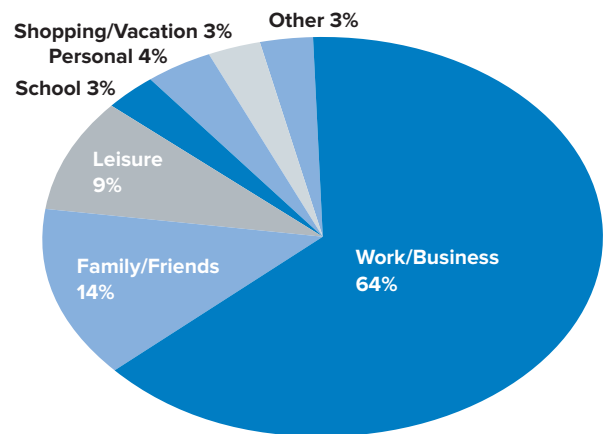
Service Overview

Capitol Corridor intercity trains operate along a 170-mile corridor between San Jose and Sacramento/Auburn with stops at 17 train stations and a bus connection to San Francisco. The Capitol Corridor route operates on tracks primarily owned and dispatched by UPRR, and a small

TICKET TYPE FY2016



RIDER PROFILE FY2016



TRAVEL-TO-STATION

MODE	FFY15	FFY16	% CHANGE
Drive	28%	27%	-1
Drop off/Pick up	22%	25%	+3
Transit	20%	17%	-3
Bike	11%	12%	+1
Walk	14%	12%	-2
Carpool	3%	2%	-1
Taxi/TNC	1%	4%	+3
Other	1%	1%	—

two-mile segment in Silicon Valley owned by Caltrain. The CCJPA manages the service through an operating agreement with Amtrak.

Trains provide direct connections with 19 local public transit systems and five passenger rail or rail transit systems, including BART, VTA, ACE, Caltrain, Sacramento Regional Transit, San Francisco Muni, and Amtrak's national train network. To supplement the train service, dedicated feeder bus and local transit routes serve communities south of San Jose (Santa Cruz, Monterey, Salinas, San Luis Obispo, Santa Barbara); north of Martinez (Vallejo, Napa, Santa Rosa, Eureka); and east of Sacramento (Truckee, Colfax, Reno, South Lake Tahoe). Together, these transit systems serve the second largest urban area in the western United States.

Where We've Been

FY 2016 SERVICE PLAN HIGHLIGHTS

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

- Funded the completion of several state-of-good repair projects performed by Union Pacific Railroad that continued the high reliability of the Capitol Corridor trains;
- Completed, with Caltrans and Amtrak, the early phases of an On-Board Information System (OBIS) for deployment on all California Intercity Trains, and are preparing to test the system prototype;
- Adopted the final Environmental Impact Report for the proposed Sacramento-Roseville 3rd Track Project;
- Conducted the discovery and analysis process for the Vision Implementation Plan, which is phase 2 of the Vision Plan Update process;
- Received an award of \$9 million in FY 2016-17 California Cap and Trade funds to complete the funding plan of \$79 million for the first phase of the Sacramento-Roseville 3rd Track Project, which when complete will allow for two additional round trips between Roseville and Sacramento/Bay Area. This grant will also advance the installation of wayside power cabinets for the Oakland Maintenance Facility (to reduce diesel engine emissions, decrease ambient noise levels, and reduce fuel consumption), and initiate a service optimization plan for Northern California Passenger Rail services;
- Completed the final design and construction schedule for the \$10 million FY 2015 Cap and Trade Travel Time Savings Project with Union Pacific. Capitol Corridor trains traveling between Sacramento and San Jose will realize up to 10 minutes in reduced travel time due to this project, which is expected to be completed in FY 2017; and,
- Implemented the Weekend Optimization Plan in August 2016, the biggest schedule change since 2006, which allows for late night service from the new Golden 1 Center in Sacramento, as well as additional peak-hour service to Silicon Valley/San Jose in the morning and from the Bay Area to Sacramento in the evening.

EQUIPMENT

- Positive Train Control (PTC) Collision avoidance signal system – PTC equipment is now installed on all 17 locomotives and all 19 cab cars, and is being kept up-to-date. Software installation and testing of rail vehicles, and implementation of a remote server to communicate the train's position to the host railroad dispatch center is expected to be completed in spring 2017, making way for

PTC testing to follow on Capitol Corridor trains. Union Pacific has already begun testing on its freight trains in our service area.

- Initiated testing plan for using renewable diesel, which would determine the viability and feasibility of using such alternative fuels on the locomotives with the intent to reduce lifecycle greenhouse gas emissions.

SAFETY & STATION UPGRADES

- Safety continued to be a major priority; passenger injuries decreased from 12 in FY 2015 to 5 in FY 2016. Unfortunately, trespasser fatalities rose from 18 to 22.
- Security Cameras at Capitol Corridor Stations – installation has begun for camera and surveillance equipment at the Auburn, Rocklin, Roseville, and Suisun stations. When complete, all Capitol Corridor stations will be equipped with security cameras and surveillance equipment.
- E-lockers – established access agreements with local municipalities to complete installation requirements for bicycle e-lockers at most Capitol Corridor stations.

TECHNOLOGICAL IMPROVEMENTS

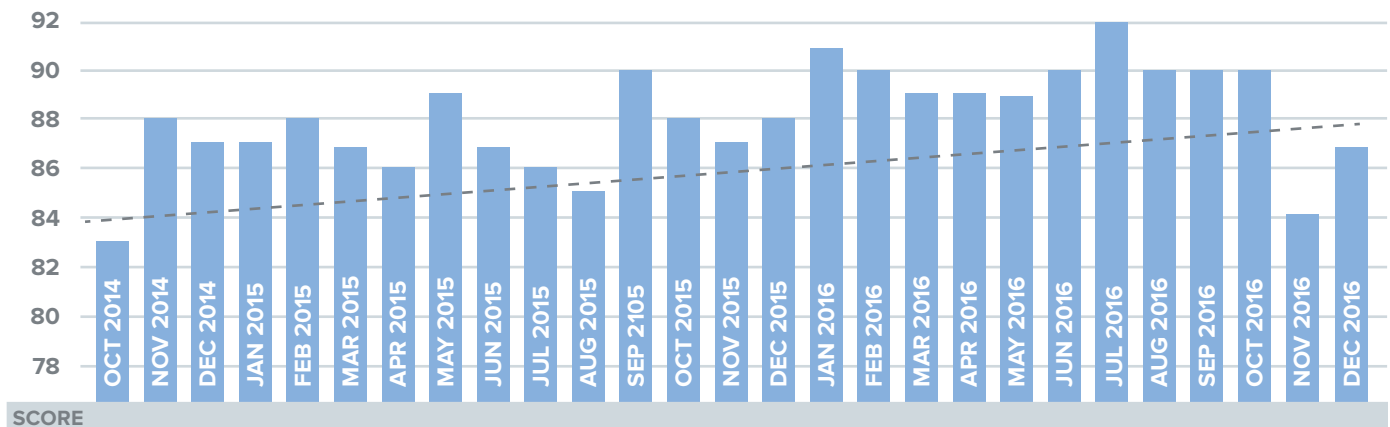
- Website navigation update – Redesigned Capitol Corridor website with new platform, allowing for smoother mobile access, tighter security, and easier navigation. Site now displays service alerts in real-time, and features a newly-created “First Time Rider” section.
- Established daily train ridership and performance data feed and used business intelligence platform to better monitor and plan service performance.
- Launched a new onboard Wi-Fi website, which includes real-time train status, station information, and latest Capitol Corridor news, entertainment content, and promotional offers.

MARKETING & COMMUNICATIONS

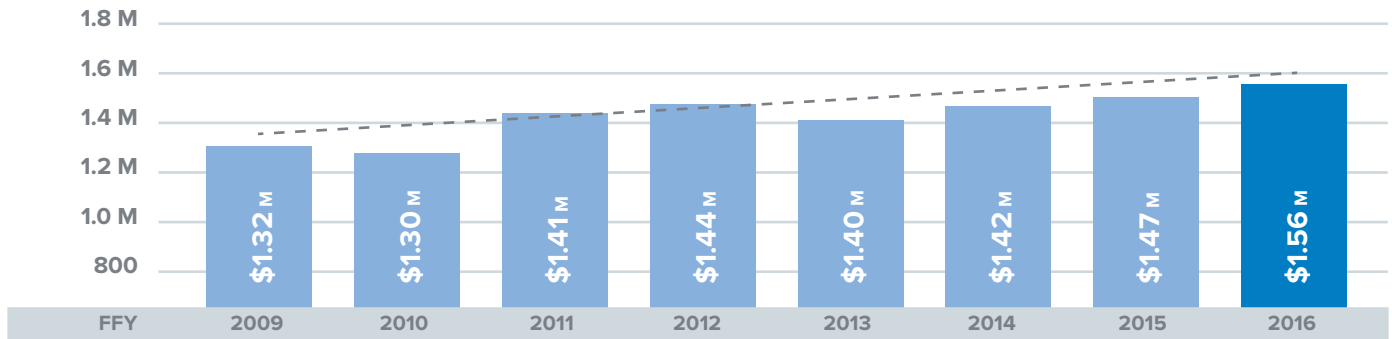
CCJPA’s FY 2016 marketing efforts focused on promoting off-peak ridership, primarily using social media and online channels to increase brand awareness of Capitol Corridor throughout the Northern California region.

- Renewed the popular “Take 5 for \$5 each” offer for small groups on weekends, and the Seniors Ride Half Off Midweek offer to boost off peak ridership, with each bringing nearly 2,000 monthly riders on average for the duration of the offers.

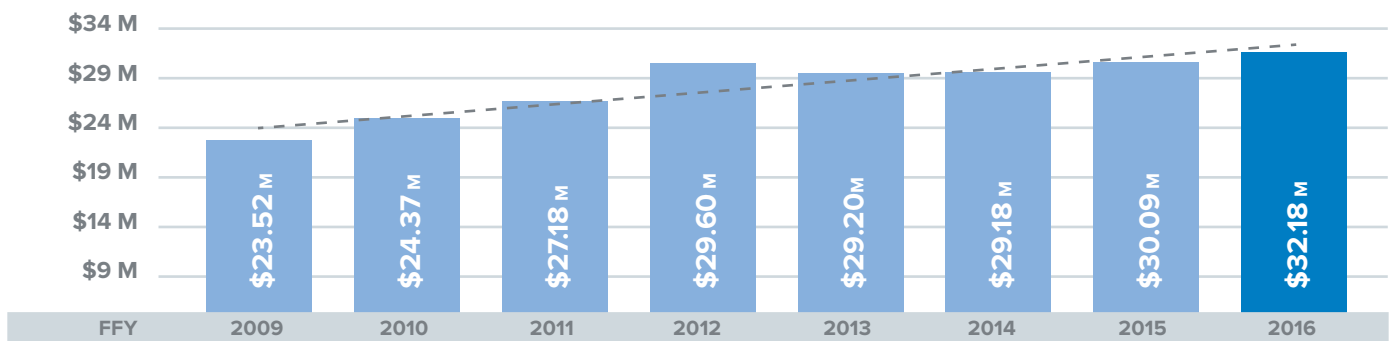
Customer Satisfaction Index (OCTOBER 2014 – DECEMBER 2016)



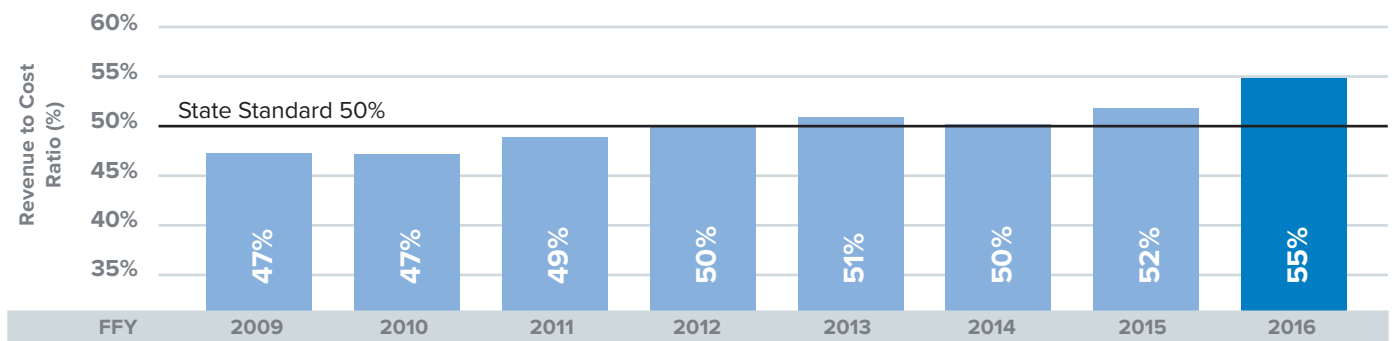
Ridership (IN MILLIONS)



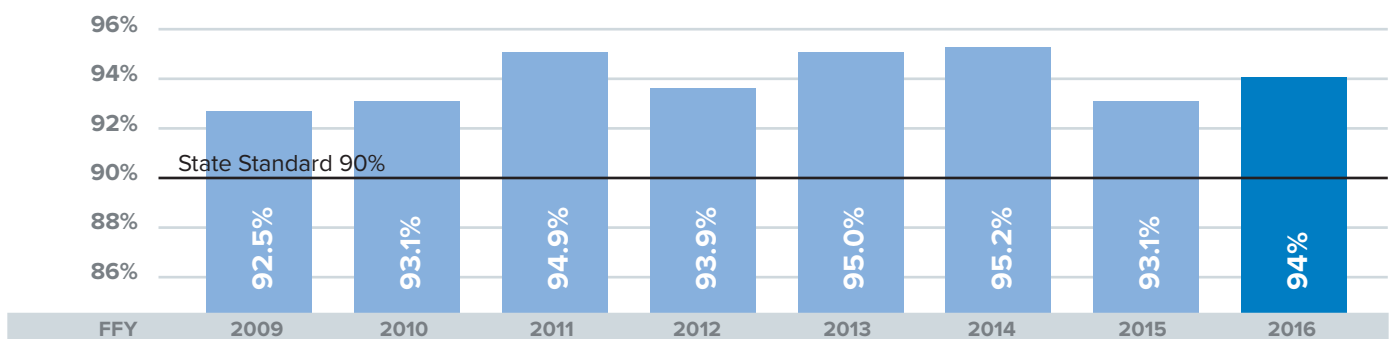
Revenue (IN MILLIONS)



Farebox (IN MILLIONS)



On-Time Performance



- Carried over the Friends and Family 50% off discount every day, also targeted at small groups.
- Continued partnerships with the Oakland Raiders, Cal Football, Oakland Athletics, Sacramento River Cats, and other large sports and entertainment events.
- Coordinated marketing communications for the Super Bowl 50 game at Levi's Stadium, for which Capitol Corridor carried over 1,000 passengers, a single-day record for the Santa Clara/Great America station.

Where We're Going

With limited new capital funds—and additional rolling stock not expected to arrive until 2017 through 2021—the CCJPA will focus on maintaining the 30-train weekday (and 22- train weekend) service plan and improving service performance and reliability. Programs planned or underway will allow for the following improvements in FY 2017:

- Exploring partnerships to support the start-up of folding bicycle rentals at selected stations;
- Evaluating opportunities to increase on-train bicycle storage systems to expand bicycle storage density;
- Security Cameras at Stations – Install security cameras at Auburn, Rocklin, Roseville, Suisun and stations;
- Renewable diesel fuel testing to be conducted in FY 2017;
- Adoption of Vision Implementation Plan and initiation of third phase of Vision Plan Update process, the Vision Communications Plan;
- Prototype installation and testing of the OBIS system scheduled to begin by end of FY 2017;
- Sacramento/Roseville 3rd Track Phase 1, which includes construction in Placer County, is scheduled to begin during FY 2017;
- Travel Time Savings Project improvements, funded in part by 2015 Cap and Trade TIRCP funds, will begin winter 2016 with completion by mid-2017, to reduce travel time by up to 10 minutes for trains traveling between Sacramento and San Jose;
- Several state-of-good repair track projects will be completed with our partners at Union Pacific;
- Richmond Station Platform Improvements: installation of a flashing light/beacon to facilitate transfers for passengers connecting from BART to Capitol Corridor, and the installation of a Clipper Card Parking Validation Machine (PVM), have target completion dates in spring 2017;
- Standby Power at Auburn layover site – construction underway of a standby power system that will allow shutdown of the locomotive's diesel engines during overnight layover servicing, saving diesel fuel and reducing diesel emissions and ambient noise levels, to be completed in December 2017;
- Signage – Begin a program of upgrades to the safety and information signage at Capitol Corridor stations by installing a new standard information display sign system;
- Positive Train Control – Final implementation of this control system will await coordination with the Capitol Corridor's railroad partners - Union Pacific Railroad and Caltrain. Each of those partners is working hard to implement Positive Train Control. For Capitol Corridor, minor programming issues and other necessary upgrades such as installing a landside server, and developing a safety plan are scheduled to be initiated this fiscal year;

- Receive initial order of new Tier 4 locomotives that will reduce pollutants and improve fuel efficiency; and,
- Equipment: door overhaul and replacements to be done in 2017, dining car overhaul to take place summer 2017.

MARKETING & COMMUNICATIONS

As Capitol Corridor celebrates its 25th year of service, staff will continue to build marketing programs to increase brand awareness and ridership throughout the Northern California megaregion. Partnerships pairing digital (online, mobile, social media) and traditional media (radio, TV) will promote the Capitol Corridor as a convenient travel option. This media mix of digital and traditional allows for a cost-effective and trackable means of increasing brand visibility and customer engagement. Promotional discounts will bolster ridership in key markets and during weekend/off-peak periods. Additional marketing endeavors may include:

- Develop new creative campaign that features Capitol Corridor's many unique amenities for riders, and touting the service's convenience compared to congested freeways;
- Targeted promotions aim to boost ridership on select segments with capacity, such as service to/from sports and entertainment centers such as Golden 1, Oakland Coliseum, and Levi's Stadium;
- Explore new fare offers for niche markets, to further boost off-peak ridership; and,
- Enhance delivery of train status information to customers through a variety of channels, and transmission of Service Alerts across Twitter and other media.

The 2017 Legislative Agenda

FY 2016 ACCOMPLISHMENTS

- The CCJPA has been working with the other California intercity passenger rail (IPR) agencies to raise awareness for continued and sustained investment in the state's intercity passenger rail program.
- State Legislature approved and the Governor enacted a \$126 million budget to support the operation of the three California IPR services, including the Capitol Corridor.
- The Legislature provided a one-time supplemental allocation of \$135 million in the Cap and Trade Transit/Intercity Rail Capital Program (TIRCP) as part of the State FY 16-17 Budget, which is available via a competitive grant process to state public transport agencies like the CCJPA.

FY 2017 ACTION PLAN

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

- The CCJPA will continue its efforts with the other California intercity passenger rail (IPR) agencies to include dedicated annual funding for the state's successful IPR services as part of any state legislative proposals to fix the state's transportation funding deficit;
- Ensure that the State transit funding levels continue to support the operation of the three California IPR corridors that conform to the requirements of Amtrak pricing methodology set forth in the Passenger Rail Improvement and Investment ACT (PRIIA) Section 209 Policy;

- Pursue and secure federal, State and other funds to finance the capital infrastructure investments to meet the CCJPA’s goal for expanded train service to San Jose and Roseville/Auburn; and,
- Seek funding to implement and complete projects to enhance system safety and security to protect employees, passengers and facilities, including Positive Train Control (PTC).

Closing Message

Capitol Corridor will celebrate 25 years of service in December 2016, and it is our goal to sustain its success and growth into the future. The ongoing success of the Capitol Corridor service is demonstrated by a high level of customer satisfaction and consistent overall growth in ridership and revenues over the past sixteen years. A steady base of frequent weekday and weekend riders continues to keep the Capitol Corridor as the third busiest route in the Amtrak system, thanks in large part to the high-quality, reliable, and customer focused operation of the trains.

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

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

CAPITOL CORRIDOR JOINT POWERS AUTHORITY BOARD OF DIRECTORS

Placer County Transportation Agency

Jim Holmes
Susan Rohan
Keith Nesbitt (Alt.)

Sacramento Regional Transit District

Steve Miller
Phil Serna
Steve Hansen (Alt.)

San Francisco Bay Area Rapid Transit District

Nicholas Josefowitz
Zakhary Mallett
Gail Murray, Chair
Robert Raburn
Tom Radulovich
Rebecca Saltzman
Joel Keller (Alt.)
John McPartland (Alt.)

Santa Clara Valley Transportation Authority

Magdalena Carrasco
Raul Peralez

Solano Transportation Authority

Jack Batchelor, Jr.
James P. Spering
Harry Price (Alt.)

Yolo County Transportation District

Lucas Frerichs, Vice Chair
Don Saylor
Robert Davis (Alt.)

EXECUTIVE OFFICERS

Grace Crunican Executive Director
David B. Kutrosky Managing Director



Capitol Corridor Joint Powers Authority
300 Lakeside Drive, 14th Floor East · Oakland CA, 94612
1-877-9-RIDECC (1-877-974-3322) · Fax: 510-464-6901 www.capitolcorridor.org

2016 PERFORMANCE REPORT, ADOPTED NOVEMBER, 2016