



CAPITOL CORRIDOR
INTERCITY PASSENGER RAIL SERVICE
BUSINESS PLAN UPDATE
FY 2017-18 – FY 2018-19
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PREPARED BY
CAPITOL CORRIDOR JOINT POWERS AUTHORITY



PREPARED FOR
CALIFORNIA STATE TRANSPORTATION AGENCY

TABLE OF CONTENTS

EXECUTIVE SUMMARY	I
1. INTRODUCTION	1
2. HISTORICAL PERFORMANCE OF THE SERVICE.....	2
3. OPERATING PLAN AND STRATEGIES.....	3
Train Service and Expansions.....	3
Motorcoach Service and Transit Connections	3
FY 2016-17 Operating Plan	4
FY 2017-18 and FY 2018-19 Operating Plans.....	4
4. SHORT- AND LONG-TERM CAPITAL IMPROVEMENT PROGRAM.....	5
Programmed and Current Capital Improvements.....	8
Out-Year Capital Improvement Program	9
Specific Capital Improvement Program Discussion	10
5. PERFORMANCE STANDARDS AND ACTION PLAN	12
FY 2015-16 Performance Standards and Results.....	13
FY 2016-17 Performance Standards and Results to Date	14
FY 2017-18 and FY 2018-19 Performance Standards.....	14
FY 2017-18 and FY 2018-19 Action Plans	14
6. ESTABLISHMENT OF FARES	16
FY 2017-18 Fares.....	16
FY 2018-19 Fares.....	16
7. SERVICE AMENITIES, FOOD SERVICES, AND EQUIPMENT	17
Service Amenities	17
Equipment Acquisition, Maintenance, and Renovation	18
Rehabilitation and Modification Programs	18
Rail Equipment Projects Completed in 2016	18
Upcoming Projects in FY 2017-2018.....	19
8. MARKETING STRATEGIES.....	19
FY 2017-18 Marketing Program.....	20
FY 2018-19 Marketing Program	21
9. ANNUAL FUNDING REQUIREMENT: COSTS AND RIDERSHIP PROJECTIONS.....	21
FY 2017-18 and FY 2018-19 Operating Costs.....	21
FY 2017-18 and FY 2018-19 Marketing Expenses	23
FY 2017-18 and FY 2018-19 Administrative Expenses.....	23
FY 2017-18 and FY 2018-19 Total Budget.....	23
10. SEPARATION OF FUNDING	23
11. CONSIDERATION OF OTHER SERVICE EXPANSIONS AND ENHANCEMENTS	23
State Rail Plan and Northern California HST Blended Service.....	23
Rail Service Expansion Planning	24
APPENDIX A	26
APPENDIX B	27
APPENDIX C	28
APPENDIX D	29

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 2017-18 and FY 2018-19), to be submitted to the Secretary of the California State Transportation Agency (CalSTA) in draft form by April 1, 2017 and final form by June 15, 2017, giving time to Amtrak to develop its final operating cost estimates. It also outlines the service and capital improvements that have contributed to the Capitol Corridor's success, identifies needed improvements to sustain its 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 by effective cost management, gaining share in the travel market, and delivering a customer-focused, 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 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)

IN FY 2017-18 AND FY 2018-19 THE CCJPA WILL BUILD UPON RECORD SERVICE PERFORMANCE IN FY 2016-17 AND FOCUS ON SERVICE EXPANSION OBJECTIVES FOR THE PLACER COUNTY AND SILICON VALLEY MARKETS.

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, Capitol Corridor 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 to San Jose. In August 2012, the CCJPA was able to utilize the reconfigured Sacramento station to optimize operational cost effectiveness and reduced service to 30 daily round trips between Sacramento and Oakland (freeing up the two allotted track capacity slots to the sister San Joaquin Intercity Passenger Rail service).

Operating Plan. The service levels introduced in 2012 for weekday and weekend service, with slight modifications, have proven a success since they were introduced. In August 2016, CCJPA made the most significant adjustment to the 2012 operating plan by re-prioritizing weekday peak train travel to the Silicon Valley market, consolidating less productive off peak trains, and reconfiguring the weekend schedule to achieve higher ridership gains. The core 2012 schedule as adjusted in August 2016 will be the service schedule for FY 2017-18.

The basic operating costs for the Capitol Corridor conform with Section 209 of the Passenger Rail Improvement and Investment Act of 2008 (PRIIA). This policy is used to develop the costs for the FY 2017-18 CCJPA/Amtrak operating agreement and subsequent future CCJPA/Amtrak operating agreements. Based on initial forecasts, the FY 2017-18 budget is projected to increase by \$22,000 compared to the current FY 2016-17 budget due to lower growth rate of revenue when compared to increasing operating costs.

Capitol Corridor Service	FY 2017-18	FY 2018-19
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 20)	2 daily trains (with plans for up to 20)
Roseville – Auburn	2 daily trains	2 daily trains
Total Budget (Operations, Marketing & Administration)	\$35,382,000	\$36,462,000
Change vs. FY 2016-17 Budget	\$472,000 [-1.3%]	\$608,000 [+1.7%]

Performance Standards. For this Business Plan Update, the CCJPA will incorporate the most recent version of the Uniform Performance Standards (UPS) as modified by CalSTA. The table below provides an overview of the performance of the Capitol Corridor compared to the UPS as well as the updated forecasted UPS for the next two fiscal years (see Appendix C):

Performance Standard	FY 15-16			FY 16-17 (through February 2017)			FY 17-18	FY 18-19
	Actual	Standard	% Change	Actual	Standard	% Change	Standard	Standard
<u>Usage</u>								
Route Ridership	1,560,814	1,461,450	+7%	639,781	611,500	+5%	1,592,000	1,608,000
Passenger Miles	104,135,023	98,255,200	+6%	43,326,470	39,063,583	+11%	106,791,000	107,865,000
<u>Efficiency</u>								
System Operating Ratio (train and feeder bus)	56%	50%	+12%	55%	50%	+10%	51%	50%
Total Operating Cost/Passenger-Mile	\$0.55	\$0.64	-14%	\$0.55	\$0.64	-14%	\$0.61	\$0.62
<u>Service Quality</u>								
End-Point On-Time Performance	94%	90%	+5%	89%	90%	-1%	90%	90%
Stations On-Time Performance	95%	90%	+6%	92.3% (through Jan 2017)	90%	+3%	90%	90%
Operator Delays/10K Miles	303	>325	-7%	375	>325	+15%	>325	>325

Capital Improvement Program. The CCJPA's Capital Improvement Program (CIP) is consistent with the CCJPA's Vision Plan documents, regional and State of California transportation plans (e.g. Regional Transportation Plans [RTPs] and Caltrans' State 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 CCJPA IS LEADING A KEY TEST USING RENEWABLE DIESEL. IF THE TEST PROVES SUCCESSFUL, IT WILL HAVE POSITIVE IMPLICATIONS FOR THE PASSENGER RAIL INDUSTRY IN CALIFORNIA TO REDUCE LIFECYCLE GHG. EMISSIONS.

By FY 2017-18, the CCJPA will have completed installing at-station bicycle access improvements and focus again on densification of bike storage on the train. CCJPA will also continue its Capitalized Maintenance program with Union Pacific Railroad (UPRR) to maintain superior on-time performance. Funded capital improvements that will continue to advance over the next two fiscal years include the travel time savings project and phase one of the service expansion to/from Roseville for the Capitol Corridor trains. Stations across the system will get new uniform signage/message/alert kiosks. Auburn station will get a wayside power and enhanced station camera system, and Richmond station will get a BART train alert signal to facilitate passenger connectivity. Consistent with the November 2016 adopted Vision Implementation Plan, expansion of additional service to/from San Jose (and potentially beyond to/from Salinas) will require methodical coordination of passenger and freight rail objectives among a wide variety of project and funding partners in the greater Bay Area region and at the State level.

Marketing Strategies. The CCJPA's marketing strategies for FY 2017-18 and FY 2018-19 will continue to target specific markets and increase ridership where seating capacity is available by raising awareness of destinations, transit connections, and amenities. Another objective is to enhance customer service and travel information using enhanced communications.

Action Plan. Working with its service partners, the CCJPA continues to achieve annual record performance results for the Capitol Corridor and, as set forth in this Business Plan Update, will continue to ensure that Capitol Corridor is a safe, reliable, and customer-focused service. Capitol Corridor service will be managed to meet or exceed near-term budget projections. Promotional programs and campaigns will showcase the Capitol Corridor as the preferred transport alternative in Northern California Megaregion. CCJPA will conduct the planning analysis and cultivate the partnerships and funding necessary to make incremental as well as longer term transformational changes to the Capitol Corridor route.

1. INTRODUCTION

This Business Plan Update modifies the CCJPA's report submitted to the Secretary of the California State Transportation Agency (CalSTA) in draft form by April 1, 2017 and final form by June 15, 2017, giving time to Amtrak to develop its final operating cost estimates. This Business Plan Update identifies the service and capital improvements that have contributed to the Capitol Corridor's success during the past 15 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 CalSTA for the CCJPA's operating, administrative, and marketing costs for inclusion in the State Budget proposal to the Legislature.

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

For FY 2017-18, CCJPA will continue the operation of the schedule introduced in August 2016 that optimized the weekend schedule and made peak and off-peak weekday adjustments to the schedule to benefit the underserved Silicon Valley market. The service levels for FY 17-18 will remain the same as what is provided today: 30 trains during the weekdays between Sacramento and Oakland (22 weekend trains); 14 daily trains between Oakland Jack London Square and San Jose and 2 daily trains between Sacramento and Auburn.

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

- 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.

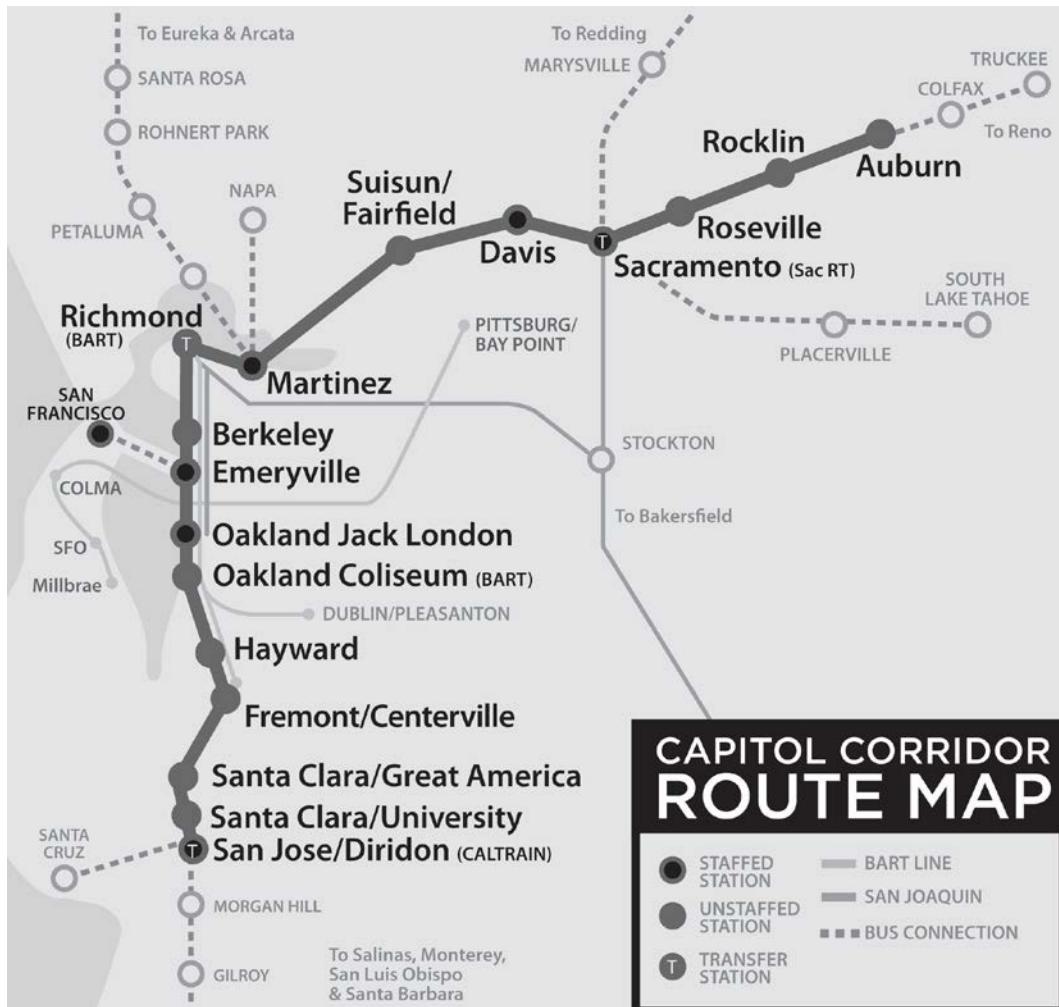
The Capitol Corridor serves 17 train stations along the 170-mile rail corridor connecting Placer, Sacramento, Yolo, Solano, Contra Costa, Alameda, San Francisco (via motorcoach), and Santa Clara counties. The train service parallels the I-80/I-680 highway corridor between Sacramento and Oakland, and 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 as well as partnerships with local transit agencies that assist passengers traveling to destinations beyond the train station.

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

The Vision Plan Update Process: The CCJPA Board established a CCJPA Board Ad Hoc Vision Plan Subcommittee that helped guide the high-level 2014 Vision Plan Update (VPU - a longer term vision of the Capitol Corridor service) and has continued to support the two additional stages to the overall Vision Plan Update process. The second stage of the plan, the Vision Implementation Plan (VIP), was adopted by the CCJPA Board in November 2016, and it is a plan with detailed engineering and operations analysis of the most viable options from the VPU. The VIP included an engineering analyzed and phased method of achieving transformational service change. The final stage, the Vision Communications Plan (VCP), was authorized in November 2016 and will include ridership modeling, economic analysis, financing

considerations, and wrap the prior VIP engineering analysis into a communications plan that will guide the public process of the Vision Plan Update implementation moving forward.

Figure 1-1
Map of Capitol Corridor Service Area



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 sharing in the administration and management of the Capitol Corridor intercity train service.

In July 1998, an Interagency Transfer Agreement (ITA) transferred the operation of the Capitol Corridor service to the CCJPA for an initial three-year term. 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.

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

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 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 (completed in 2006) and the Yolo Causeway second main track (completed in 2004). Together, these projects contributed to a 10-minute reduction in travel time between Sacramento and Oakland, in addition to more frequent service. The August 2006 service expansion remains the largest core service adjustment in Capitol Corridor's service history. This core service plan has only been enhanced by slight service adjustments in August 2012 and August 2016.

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 track capacity improvements (see Section 4 for more details). Without these service expansions, the sole means to increase ridership is through (1) further optimizations of the service plan/train schedule and (2) securing additional rolling stock that will increase

seating capacity by adding more rail cars to the existing scheduled trains. The August 2016 service plan that made small adjustments to the previous service plan to enhance weekday peak-hour service and revamp weekend service (the basis for the schedule in FY 17-18) and the ongoing travel time savings project (which will provide up to 10 minutes in corridor-wide travel time reduction) typify the type of ridership optimization options short of service expansion.

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 (+237%) AND
REVENUES (+411%) DURING
THE PAST 18 YEARS.

The benefits of these service expansions, service optimization adjustments, corresponding track capacity improvements and train equipment acquisitions have enabled the Capitol Corridor to increase market share and sustain significant growth in ridership (+237%) and revenues (+411%) during the past 18 years. These expansions have propelled and solidified Capitol Corridor's status as the third busiest route in the Amtrak national system.

Near-term service expansions to/from Roseville and medium term expansions to/from San Jose, with possible service extensions to/from Salinas, are the clearest service expansion options for Capitol Corridor on the horizon.

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 (Salinas and San Luis Obispo) and east of Sacramento (South Lake Tahoe, CA and Reno, NV). In addition, the CCJPA partners with 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 the San Jose/Diridon and Santa Clara/University stations; the Altamont Commuter Express service (Stockton – Livermore – San Jose) at the Fremont/Centerville, Santa Clara/Great America, and San Jose/Diridon stations; San Joaquin intercity trains at the Oakland Jack London, Emeryville, Richmond, Martinez and Sacramento stations; VTA light rail at Santa Clara/Great America and San Jose/Diridon stations; and Sacramento RT light rail at Sacramento Station. Together with these local transit systems, the Capitol Corridor serves the second-largest urban service area in Western United States and the most productive megaregion (in terms of per capita GDP) in the nation.

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, and there is a similar discount for tokens used in the San Francisco Muni system. 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, and WestCAT. There is also a Napa Vine Route 21 connection at the Suisun-Fairfield station with connections to the Napa Airport. 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.

The use of discounted BART and SF Muni fares and free transit transfer passes has declined sharply since a high of over 100,000 uses in 2013, despite increases in overall Capitol Corridor ridership over the same period and very slight decline “transit as the mode-of-access” numbers. The rise of on-demand ride services offered by transportation network companies (TNC’S) and the adoption of the “transit stored-value” Clipper Card in the Bay Area are likely reasons for the rapid decline. If the program continues along the trends demonstrated in FY 2014-15 and FY 2015-16, we would expect a similar decline in uses over a given year. Following the trends, we expect 38,000 uses for FY 2017-18 and 34,000 uses for FY 2018-19. For FY 2017-18 the CCJPA will make a marketing commitment to promote the use of the discounted fares and transit transfers to do better than the trends would suggest.

CCJPA has begun initial discussions with interested agencies to explore opportunities to significantly improve through-ticketing options. Linked payment with some local transit connections via stored value cards, like Clipper in the San Francisco Bay Area, or even with transportation network companies (TNC) such as Lyft or Uber are examples. To date, Amtrak’s ticketing system has been focused on using a different technology that currently does not provide for or accommodate external ticketing and fare collection relationships with other potential partner transit services. The Swiss, managed by Swiss Federal Railways (SBB Schweizerische Bundesbahnen), have a fully integrated transit ticketing and fare system, largely because there is a strong national policy support for this system. Similarly, state or strong mega-regional leadership to integrate fares and ticketing systems would be required to achieve through ticketing.

FY 2016-17 Operating Plan

The CCJPA’s operating plan for FY 2016-17 was initially based on the August 13, 2012 timetable schedule, which was then adjusted further since the August 22, 2016 timetable schedule. In both cases, an efficient mixture of service along with train and crew turns was used to support a schedule that optimized the constrained financial (operating and capital) support from the State. This August 2016 service plan continues to be the basis for the current Operating Plan for FY 2016-17:

- Sacramento – Oakland: 30 weekday trains (22 weekend day trains)
- Oakland – San Jose: 14 daily trains
- Sacramento – Roseville – Auburn: two daily trains

Over FY 2016-17, the CCJPA was forced to adjust the motorcoach service to/from San Francisco to account for sudden rising labor costs for the San Francisco motorcoach service. CCJPA took immediate action to minimize impacts to riders by providing discounted transit connections tickets, since most of the San Francisco bus stops are already well-served by local transit such as BART and SF Muni. Discounted BART tickets were provided on board already and SF Muni tickets were added for sale on board Capitol Corridor to facilitate connections to San Francisco and the San Francisco Bay Area for our passengers. Data analysis of historical motorcoach use was used to develop a cost-effective service adjustment.

FY 2017-18 and FY 2018-19 Operating Plans

CCJPA will maintain an operating plan for FY 2017-18 and FY 2018-19 that will be the same as the current FY 2016-17 Operating Plan. The plan is as follows:

- Sacramento – Oakland: 30 weekday trains (22 weekend day trains)
- Oakland – San Jose: 14 daily trains
- Sacramento – Roseville – Auburn: two daily trains

The basis for this operating plan is built on the efficiencies gained in developing the August 22, 2016 service operation schedule. A careful analysis of ridership and revenue data was used to fine tune the

schedule to achieve these efficiencies. CCJPA is also working with local communities that own the train stations served by the Capitol Corridor trains to address station access limitations (e.g., lack of available car parking after certain hours, minimal connecting transit access, lack of secure bicycle parking facilities) that will help to maximize ridership growth.

CCJPA understands that there may be opportunities for improved overall transit/rail mobility within the Northern California megaregion through strategic schedule modifications. As has been common practice, CCJPA will continue to closely coordinate any schedule adjustments with connecting local transit or intercity/commuter rail services. The CCJPA will work with the Statewide Working Group (SWG) for data analysis and coordination of any beneficial adjustments, should they be identified through analysis, over the course of FY 2017-18 and FY 2018-19.

4. SHORT- AND LONG-TERM CAPITAL IMPROVEMENT PROGRAM

There are essentially two levels of capital improvement programming (CIP). The lower-cost projects are generally aimed at amenities at the stations, along the track route, or on the trains, and they are usually incremental and progressive in nature. These projects do not usually change the ridership market or service radically but instead build on the service or schedule as it exists today. They make safe systems safer, they bring technology improvements to the customer or to the operator, and they are generally strategic in nature to keep the service timely, safe, and relevant to customers and the surrounding communities. Examples include onboard Wi-Fi, travel time savings projects, crossovers, right-of-way fencing, and even Positive Train Control, but they can also include studies and analysis necessary to determine the proper course of action to comply with established protocols of environmental documentation and project engineering design. CCJPA has a strong and consistent history of developing and delivering these projects and we expect that the need for constant lower cost improvements continue well into the future.

THE CCJPA'S USE OF 480-VOLT POWER CABINETS DURING EQUIPMENT LAYOVER AT THE SACRAMENTO VALLEY AND SAN JOSE/DIRIDON STATIONS HAS RESULTED IN A 2% REDUCTION DIESEL FUEL CONSUMPTION, REDUCING EXPENSES AND POLLUTANT EMISSIONS. THESE SAVINGS WILL BE FURTHER ENHANCED WITH THE ADDITION OF A CABINET AT THE AUBURN STATION IN SUMMER 2017.

In contrast to the lower-cost capital projects, the higher-cost capital improvement projects, which are new rolling stock or service expansion, don't just make incremental service improvements – they radically change the service. The last time a higher cost project was implemented was in 2006, and it resulted in four additional round trips between Oakland and San Jose. This project transformed the Capitol Corridor and has paid off over the years and set the stage for the growth in ridership and even the success of the lower cost projects that were implemented over the ensuing years. Transformational projects, already a challenge, have become more and more difficult to achieve over time due to their high cost and because the transformations they can achieve just raise the bar and the cost for the next transformational service change. As revealed by the Vision Plan Update process, the Capitol Corridor is transitioning from service expansions at one magnitude to service expansions of greater cost but more dramatic magnitude. Capitol Corridor has reached a point of maturity where lower-cost capital improvement projects will no longer yield significant ridership gains; in order to see the magnitude of ridership growth as demonstrated in the past 18 years of service, Capitol Corridor service will need the political and public support for additional higher-cost capital improvement projects.

The CCJPA maintains a Capital Improvement Program (CIP) used to continuously improve the Capitol Corridor's reliability, travel times, on-time performance, safety/security, and to expand service frequency in the face of increasingly uncertain sources for capital funding. Since the inception of the Capitol Corridor service, roughly \$1.09 billion from a mixture of funding sources has been invested or programmed to purchase rolling stock, build or renovate stations, upgrade track and signal systems for increased capacity, and construct train maintenance and layover/storage facilities. Most of these investments (approximately \$1.02 billion) occurred between the inception of the Capitol Corridor service in 1991 until 2006, a period of more certain capital funding sources from the State. In contrast to those first fifteen or so years, over the last eleven years the CCJPA has only received \$71 million in capital funding to invest in the route. The pace of capital investment can be directly linked to the shift from more stable, longer-term funding sources (State Transportation Improvement Program or STIP) to funding sources that are ad-hoc in nature (bonding programs, legislatively-capped programs) that can variously require extensive preparation of competitive grant applications and review by state authorities for award. Due to a variety of external pressures, total STIP funding has declined significantly over time. In 2002, over \$7 billion was available to be programmed for new transportation projects over the following five

years. In 2012, only half that amount, or roughly \$3.5 billion, was available to program new projects in the five years following California Transportation Commission's adoption of the plan. The 2016 STIP had no new programming capacity and required delay or deletion of projects. The ITIP is an intercity portion of the overall STIP and the portion of the STIP usable by the CCJPA as the manager of the Capitol Corridor IPR service. Because it is determined by statutory formula, the amount available for ITIP funding has decreased proportionally over time. For CCJPA, the dwindling ITIP program has primarily consisted of continued support for Capitalized Maintenance (\$1 million per year) for another five years (via the 2014 STIP – ITIP portion). These Capitalized Maintenance projects include a program of upgrades to replace track and signal components that will continue to ensure high on-time performance (OTP) for the Capitol Corridor trains – vitally important to the Capitol Corridor service.

With the diminishing capacity of the STIP, capital funding alternatives such as bond and grant programs now come to the forefront of CCJPA's CIP perspective. Proposition 1B bonds have been responsible for a series of station, service amenity, and track infrastructure improvements over the last decade. Proposition 1A bond funds are intended to support high-speed connected capital infrastructure projects. Through programming grants and allocations, the CCJPA has committed all its available Proposition 1A and 1B funding to projects in various stages of development.

Committing CCJPA's entire share of Proposition 1A and a recent Caltrans-led supplement of Proposition 1B funding for a CCJPA project plays a very significant role when combined with the Cap & Trade funding - funding grants that CCJPA has been successful receiving over the two cycles the funds have been made available (the specific source being the Transit Intercity Rail Capital Program or TIRCP). In August 2015, a portion of the Proposition 1A funding was combined with funding from the Cap and Trade program for a travel time-savings project which would result in an up-to ten-minute travel time reduction (which also benefit the Altamont Corridor Express commuter rail service). This project is fully funded and is underway with UPRR now. In August 2016, the CCJPA was awarded Cap & Trade funds to be combined with Proposition 1A funds, for the phase one service expansion to/from Roseville – a project that would allow two additional round trips serving Roseville in addition to installation of two wayside power cabinets in the Oakland Maintenance Facility. The funding also supports a service optimization planning analysis in conjunction with the San Joaquin Joint Powers Authority and San Joaquin Regional Rail Commission. CCJPA committed all the remaining share of its Proposition 1A funds but received a smaller share of Cap & Trade funds than initially requested. However, Caltrans came through with additional Proposition 1B funds they controlled to help cover the Cap & Trade funding gap to support these three projects – the biggest of them being the additional phase one service expansion to/from Roseville.

On a smaller capital scale than service expansions or track modifications, CCJPA will continue expending the last rounds of grant funds that have supported a variety of projects at stations. These include a set of small state allocations and successful regional grant awards used to support the demand for at-station bicycle facilities such as eLockers and folding bicycle rental kiosks at select stations. A ten-year program of Proposition 1B Safety and Security grants (which are set to expire in 2018 for expenditure) has supported a wide variety of station and track safety improvements (respective examples include cameras and right-of-way fencing) as well as the development and installation of an on-board ADA compliant information system. Other minor CCJPA-led capital programs include provision for wayside power at Auburn station, Richmond BART train arrival alerting system for Capitol Corridor service to facilitate people transferring between services, and station signage programs across the breadth of Capitol Corridor stations.

Transformative service frequency projects, like those done in the 1998-2006 period, require significant and (usually) stable capital funding – precisely what is lacking now. CCJPA is starting from zero for new capital funding capacity. The only identifiable state source of capital funds beyond the meager STIP-ITP funds are the state's Cap & Trade auction revenues. These funds are aimed at being allocated toward various eligible transformative greenhouse gas (GHG) reducing projects that may also provide localized air quality benefits to designated disadvantaged communities throughout California. The Cap & Trade program used by CCJPA, the TIRCP program, is now eligible to be allocated over multiple years. Unfortunately for those who may rely upon funding from the Cap & Trade auction revenues, the auction revenues have been coming in significantly below expectations, thus reducing the size and frequency of the program to support GHG reducing projects in transit and intercity passenger rail. CCJPA has been

successful in each of the two prior TIRCP rounds at combining with other state funding sources to receive TIRCP funding grant awards. However, this time, there are no other funding sources for CCJPA to match under the TIRCP program when/if the auction revenues grow to values worthy of a subsequent grant round. Overall, the viability of Cap & Trade is quite limited for CCJPA until new funding sources at the state or federal level are developed.

THE CCJPA WAS ACTIVE IN THE DEVELOPMENT OF THE INAUGURAL RAIL TITLE IN THE 5-YEAR SURFACE TRANSPORTATION AUTHORIZATION, FIXING AMERICA'S SURFACE TRANSPORTATION (FAST) ACT OF 2015, BUT THE US CONGRESS NEVER FUNDED THE PASSENGER RAIL-RELATED ACCOUNTS AND THUS NO FEDERAL FUNDS HAVE BEEN MADE AVAILABLE.

There are no federal sources of funds for intercity rail sufficient for corridor expansion projects now, although there is at least authorization for creating a federal fund source –it is just not yet funded via the US Congress. The Fixing America's Surface Transportation (FAST) Act of 2015 report was prepared for Congress in November 2015 and was approved by Congress (the House of Representatives and Senate) on December 3, 2015. President Obama signed the bill into law the next day, December 4, 2015. The FAST Act, the first multi-year surface transportation authorization in over 10 years, provides up to \$305B over five years for the nation's highway network, transit and commuter rail services, Amtrak, and – for the first time ever – state-supported intercity passenger rail services. The bill is the first time that state IPR services are now part of a truly multi-modal federal surface transportation program and can pursue federal funds with matching state/regional/local funds to help continue the success and the growth of these passenger train services.

Of the \$305B, the Rail Title authorizes approximately \$10.4B for Amtrak, state-supported IPR services, and freight and other rail related programs. Key passenger rail-related accounts in the FAST Act are:

- Consolidated Rail Infrastructure and Safety Improvements (CRI & SI): The US DOT will seek projects from eligible applicants for competitive grants to finance improvements to passenger and freight rail services in terms of safety, efficiency, or reliability. PTC and other technology items and rail line relocation are also eligible for funding. \$1.103B over five years; a 50% match is required.
- State Of Good Repair (SOGR): The US DOT shall develop a program that will allow for grants to eligible applicants, on a competitive basis, to finance capital projects that reduce the state of good repair backlog with respect to qualified railroad assets. \$0.997B over 5 years; 20% match is required.
- State Supported Route Commission (SSRC): The SSRC is authorized at \$10M (\$2M per year for five years) and established by the US DOT Secretary of Transportation to coordinate planning of trains operated by Amtrak on state-supported routes to further implement Section 209 of the Passenger Rail Investment and Improvement Act of 2008 (PRIIA). Members include US DOT (likely FRA), Amtrak, and state intercity passenger rail agencies. (Note: The current State-Amtrak Intercity Passenger Rail Committee (SAIPRC) has been organized to represent the SSRC as described in the FAST Act.)

For all the effort put forth by the CCJPA and other state intercity passenger rail agencies to be included in the 5-year FAST Act (FY 2016 – FY 2020), the FY 2016 Omnibus Appropriations bill and the current FY 2017 limited appropriations bill do not include any of the authorized funding identified from the FAST Act.

The Capitol Corridor service described in this Business Plan Update and in all business plans since FY 2005-06 is directly a by-product of the state's prior capital investment. The ridership and revenue results year after year from these investments are well documented. CCJPA's August 2006 service expansion to San Jose (Oakland-San Jose Phase 1 Project) was made possible by state capital investments from the 1998 to 2002 capital funding era. This was the last period when sufficient capital funding was consistently provided to build new service frequency increase (the increase in service between Oakland and San Jose from eight to fourteen daily trains).

The capital funding outlook can only improve for CCJPA. Adjusting Cap & Trade policies to develop more auction revenues may help, however, there is a built-in obsolescence to the Cap & Trade program to be a funding source for transit, because if targets for GHG reductions are being met, auction revenues are naturally expected to decline. There is also legislation being developed at the state level to deal with the

STIP shortfall and put transit investment on some stable, sustainable footing. CCJPA has been active in ensuring that intercity rail is included in such legislation. On the federal level, the incoming US Congress and new presidential administration is discussing an infrastructure bill, but details on how that could apply to intercity rail capital programs are only speculative at this point.

Regardless of what transpires for capital funding sources, it has always been CCJPA's philosophy to maintain a CIP that can serve as a blueprint for the near-term future and advance projects through the design and environmental review phases to be shovel-ready when capital investment opportunities become available. A list of CIP projects that have been completed or are currently underway is included in Appendix B.

THE CAPITOL CORRIDOR'S RIDERSHIP GROWTH BENEFITS THE ENVIRONMENT BY REDUCING AIR POLLUTION AND GREENHOUSE GAS EMISSIONS. IN FY 2016-17 THIS WAS ROUGHLY A NET REDUCTION OF OVER 13,394 TONS OF REDUCED CO₂, WHICH IS EQUIVALENT TO PLANTING MORE THAN 1,913 TREES.

The Capitol Corridor is not capital or operationally supported by federal funding or state funding sources that go to the metropolitan transportation planning organizations (MPOs), so the CIP is only philosophically consistent with the use of federal and state programming of funds in Regional Transportation Plans (RTPs) adopted by MTC, SACOG, and PCTPA to reduce VMT, reduce congestion, improve air quality, and improve the environment. In a similar manner, the CCJPA's CIP and general operating plan objectives are consistent with the FRA's National Rail Plan. Each RTP includes a list of anticipated projects and cost estimates for a 25-year planning horizon, with the strongest connection to Capitol Corridor service being when local jurisdictions might use funds for station area improvements or when the various RTP's "capture" CCJPA's use of state intercity funding to implement projects. When possible, the CCJPA will share costs and coordinate with other rail and transit services on station and track projects.

The California State Rail Plan, which is adopted every ten years, is being updated and is in the process of public review and adoption at the same time as this Business Plan Update is being developed and submitted. Prior State Rail Plans have not been anywhere near as transformative, but with the involvement of the California State Transportation Agency (CalSTA), the 2017 State Rail Plan update is taking a longer-term, more proactive and state leadership role in transforming California's passenger and freight rail system. The developing State Rail Plan sees capital investments along a strategic trajectory from the way services operated and developed today toward a layered multi-tiered rail operating environment that better serves travel markets and delivers better cost efficiency metrics than the bifurcated services do today. While ambitious from a standpoint of today's capital funding gaps and governance/management of passenger rail services across the state, this plan, built on the lessons of rail services abroad, would transform state rail in the years to come and have some implications for future Capitol Corridor Business Plan Updates in the years ahead. The CCJPA's Vision Plan process, which is still in development, includes analyses that will coordinate with the emerging State Rail Plan in the years ahead. With the Capitol Corridor CIP in a state of transition, future CCJPA Business Plan Updates will have an obligation to be developed in accordance to the 2017 State Rail Plan objectives.

Programmed and Current Capital Improvements

Improvements during FY 2017-18 and FY 2018-19 include the travel time savings project, final design and construction commencement of phase one of the Sacramento to Roseville 3rd Track project, implementation of Positive Train Control, and on-train testing and installation of OBIS, in addition to safety and security improvements (see Table 4-1 for all projects underway, programmed, or planned). Installation of two wayside power units in the Oakland Maintenance Facility, funded by the Cap & Trade TIRCP funds, will be completed during FY 2016-17. Also implemented during this period and funded by Cap & Trade/TIRCP will be the service optimization plan which will involve service optimization among SJJPA, ACE, and Caltrans/CalSTA, led by CCJPA. This service optimization plan may be expanded and integrated into other ongoing service planning efforts of Statewide Working Group (SWG) rail partners and will be managed and coordinated at that level with CalSTA staff. CCJPA has been successful at using a relatively small stream of capital funding since 2009 to maintain a track and maintenance program, albeit one that can only be sustained if funding is available (the Capitol Corridor is currently in year three of a five-year allocation of \$1 million per year for this purpose) or shifted to an annual operating source. In November 2016, CCJPA provided CalSTA a report supporting the benefits gained from ongoing capitalized maintenance investment. The report demonstrates that this is the leading factor in delivering exceptional on-time performance since 2009, which illustrated the benefits of reduced host railroad delay

minutes and improved on-time performance to the Capitol Corridor service from these invested capitalized maintenance funds.

Other current capital programs include safety/security projects implemented with Proposition 1B funding provided by the California Office of Emergency Services (CalOES) that will expire in FY 2015-16 (but be eligible for expenditure over the next three additional years). Proposition 1B funding supports safety and security projects, and CalOES obligates \$1.9 million per year for the Capitol Corridor, which is used with specially identified Transit Safety and Security funds. Projects funded in this area include station security cameras, right-of-way security fences, and the fore-mentioned OBIS system.

Out-Year Capital Improvement Program

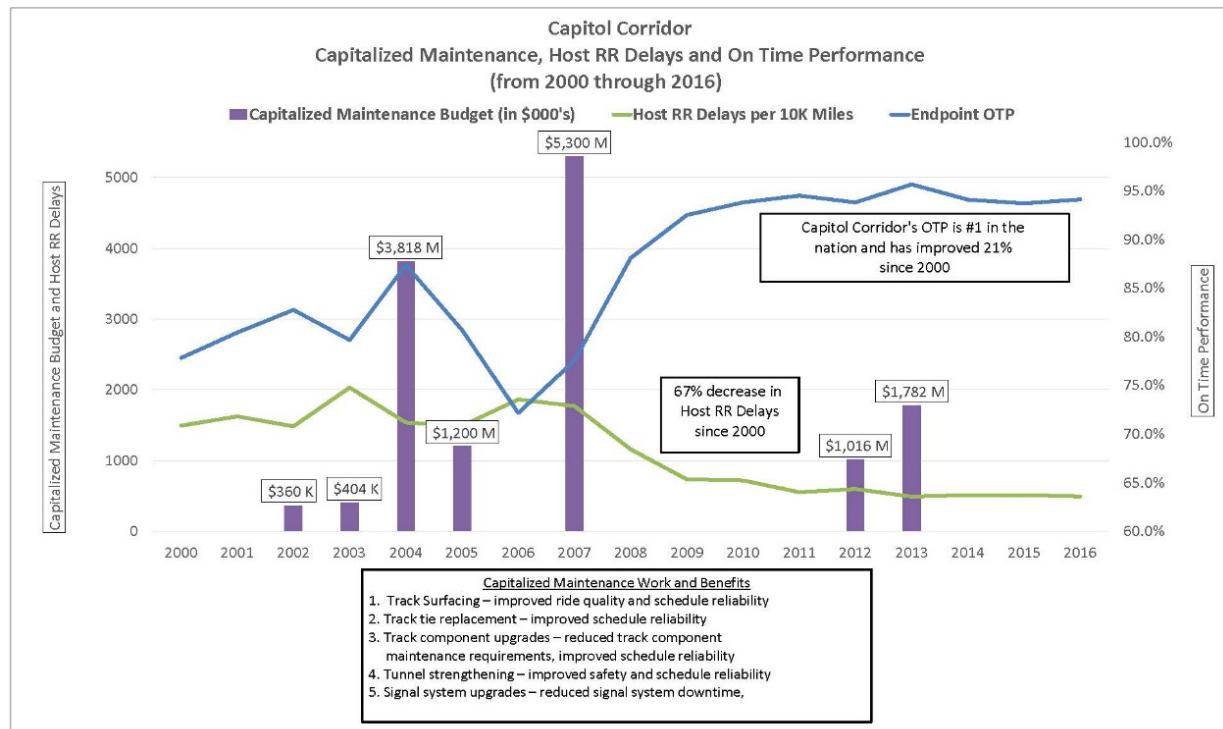
The out-year CIP view is murky at present. The lack of new programming capacity means that both low-cost and transformational capital projects face an uncertain future. The need to regularly reinvest in Capitol Corridor service will remain a constant need in the years ahead. Whether maintained as an

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ongoing capital investment program or subsumed into annual operations, there is absolutely no debate that the CCJPA's most valuable low-level capital investment will continue to be capitalized track maintenance. This program plays a massive role ensuring that Capitol Corridor service is the top on-time performing intercity passenger rail service in the nation as shown in Figure 4.1. Presumptively, unless delayed or cut, 2014 STIP funding will ensure that capitalized maintenance program will receive \$1 million annually for the remaining two years of the five-year program - but beyond that the future is unclear. Ensuring a funding stream for capitalized maintenance will continually be an ongoing CIP top objective.

From a technology standpoint, the Wi-Fi system is now five years old and due for a technology upgrade, something that Caltrans, as owner of the Amtrak California fleet, will pursue in conjunction with the installation of the On Board Information System (OBIS). Looking toward the transformational service expansion projects, there are no sources of funds for expansion beyond the first phase of the Sacramento to Roseville 3rd Track project. Referencing past capital funding history is not a useful guide because CCJPA has never been in a position where no new programmed capital funds were identified.

Figure 4-1 Capitalized Maintenance, Host RR Delays, and On-Time Performance



Specific Capital Improvement Program Discussion

Additional New Cars and Locomotives:

Caltrans, owner of 95% of the rolling stock assigned to the Northern California intercity rail fleet, awarded a contract to a builder of new bi-level passenger rail cars in late 2012. The funding is comprised of the federal HSIPR program (\$168 million) and \$42 million in Prop 1B funds to acquire additional rolling stock. Unfortunately, the winning bidder failed a required FRA crash compression test in 2016 and is now in danger of insolvency as of this writing. The eventual arrival of added rolling stock is currently unknown, yet expansion to/from Roseville associated with a completed phase one Sacramento to Roseville 3rd Track project will require the infusion of new rolling stock. Unfortunately, there is doubt at this time that new rolling stock will arrive by even 2020.

Table 4-1
Capital Projects by CCJPA and Others (\$ million)
Capitol Corridor

CCJPA Sponsored Projects	Status	\$ Programmed	Funding Sources	Project Cost	Description/benefits
Sacramento to Roseville Third Main Track Construction - Phase One	Phase 1 for 2 add'l round trips funded via TIRCP, Prop 1B, and Prop 1A. Phase 1 will be final design and construction. Subsequent phases not yet	\$78.70	Prop 1A HST, STIP, PCTPA STIP	\$78.70	Phase one of a third main track between Sacramento and Roseville allowing 2 additional round trip to/from Roseville. Benefits will extend service frequency to/from Roseville and increase ridership, reduce AQ emissions.
Sacramento to Roseville Third Main Track Construction - Phase Two	Phase 2 for 7 add'l round trips. This phase is not funded.	\$0.00	TBD	\$196.30	A third main track between Sacramento and Roseville that will permit 9 additional round trip (for a total of 10 round trips) to/from Roseville. Benefits will extend service frequency to/from Roseville and increase ridership, reduce AQ emissions.
Wayside Power Units (2) for Oakland Maintenance Facility	Awaiting allocation from the CTC in March 2017	\$0.40	TIRCP & CCJPA	\$0.40	Will provide electrical power to locomotives in maintenance yard and replace power derived from diesel fuel burn. The benefits are less fuel use, improved air quality due to reduced diesel emissions.
Service Optimization Plan	Pending allocation from CTC in FY 2016	\$0.40	TIRCP & CCJPA	\$0.40	Plan will try to identify solutions to optimize ridership and revenue and coordinate service transfers, if possible, among Capitol Corridor, San Joaquin, and even ACE.
Capitalized Maintenance Ph 4	Programmed/Underway	\$3.00	STIP (for now)	\$5.00	An ongoing track maintenance upgrade and enhancement program to retain high OTP; funding for additional years in doubt due to STIP capacity issues.
At-Station Bicycle eLockers and Folding Bicycle Rental	Some stations installed, others installed over FY 17 /FY 18.	\$0.78	PTA funding and other sources	\$0.78	Program for adding bicycle storage at stations along the route and introduction of folding bicycle storage at limited station sites
On-Board Passenger Information System (OBIS) - Wireless Network component	Underway in design	\$5.00	Prop 1B	\$22.70	Funds the development and installation of an on-board video/audio information system based on geo-fencing and real time information. CCJPA funding supporting Caltrans Rail Division lead funding.
Travel Time Savings Project	Project underway	\$15.50	California Transit and Intercity Rail Program (TIRCP), Prop 1A, STIP	\$15.50	Project would improve running times along existing Capitol Corridor route by increasing speed on selected curves. This would take advantage of the enhanced abilities of the California equipment to travel faster on curved track.
Richmond train approach indicator and parking validator	Design underway	\$2.50	CCRP	\$2.50	Install a flashing light that will indicate to Capitol Corridor trains when a BART train is approaching, to allow better coordination of passengers transferring from BART to Capitol Corridor. Install a parking validator machine so that Capitol Corridor passengers can pay for parking in the station parking garage.
Auburn Security Cameras, Lighting and Standby Power	Design complete and construction to begin	\$1.90	CCRP and Prop. 1B	\$1.90	Improve safety and security by improving lighting and security cameras at the Auburn station and equipment layover facility. Construction of a standby power system will allow shutdown of locomotive engines during layover servicing period, saving fuel and reducing emissions.
Station Safety and Informational signage	Design complete and construction to begin	\$0.70	CCRP and MCIP	\$0.70	Adopt an improved station information sign system to improve safety messaging and enhance Capitol Corridor branding. Install Capitol Corridor trailblazer signs leading to stations.
SUBTOTAL: CCJPA SPONSORED PROJECTS		\$117.86	NON-TBD TOTAL	\$324.88	
New Rolling Stock	A Caltrans led project that is underway	\$54.00	Prop 1B ICR, HSIPR (federal funding)	\$54.00	Funds the addition of 10 cars and 2 locomotives for use in CCJPA operations
Fairfield-Vacaville Station	A new Capitol Corridor station under construction with a grade separation	\$81.96	Various sources	\$93.96	Funds a new station stop in the Fairfield/Vacaville area with a grade crossing for Peabody Rd. Net new ridership for Capitol Corridor service.
Station Security Camera System Installation	Design complete and construction to begin	\$1.50	Prop. 1B and CCRP	\$1.50	Install security cameras covering the boarding platforms at four unstaffed stations: Rocklin, Roseville, Suisun and Fremont.
Salinas Service Extension	Planning and environmental documentation steps in various stages of development.	\$141.00	Extension of Capitol Corridor service to Salinas with an initial 2 round trips with the potential for up to 6 round trips	TBD	Not yet approved by the CCJPA Board but being planned and coordinated with CCJPA and TAMC. UPRR modeling results required to determine project costs. Oakland to San Jose service frequency improvements are holding the project in a state of uncertainty. Funding availability is uncertain given the OKJ-SJC and UPRR negotiations.
SUBTOTAL: NON- CCJPA SPONSORED PROJECTS		\$278.46	NON-TBD TOTAL	\$196.50	
TOTAL - ALL PROJECTS		\$396.32	NON-TBD TOTAL	\$521.38	

In January 2014, the state of Illinois, as lead agency for the Midwest states, California, Oregon, and Washington, recently announced the award of a federally-funded locomotive procurement for the cleanest diesel-electric locomotives in the world, meeting EPA Tier IV emissions requirements. Six of these cleaning-burning Tier IV locomotives, named “Chargers”, have been assigned to Northern California for use in the San Joaquin and Capitol Corridor services and are arriving at present and will continue into early 2017. In coordination with their arrival and with state policies toward GHG reduction, CCJPA is actively engaged with rail partners around the state and with the California Air Resources Board (CARB) to test the use of renewable fuels as a blend or all-out substitute of the current carbon-based diesel fuel as soon as possible so that the “well to wheels” GHG emissions of the fuel used to propel the locomotives is significantly reduced. This test will commence in 2017, first with the older F59 locomotives but later with the new Charger locomotives. Presuming the test results are satisfactory, renewable diesel will become the normal diesel fuel used in Capitol Corridor and potentially other intercity and commuter rail fleets in California.

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 2018 after extending past an original December 31, 2015 deadline. Caltrans Division of Rail (as owner of the rail cars and locomotives), working with Amtrak, is (1) completing the installation of the on-board PTC equipment on the cab control cars and locomotives and (2) constructing a remote server that will share the location of various intercity passenger trains operated by Amtrak (including the three California intercity passenger rail routes) with the dispatching centers of the various host railroads to ensure interoperability between the various PTC systems with the on-board PTC systems of the intercity passenger trains. The UPRR and Caltrain (as railroad owners) have begun to install and/or test the wayside PTC equipment along their respective railroad tracks. This system will be tested and be in safe working order prior to the 2018 deadline for implementation.

Extension of Capitol Corridor Trains to Salinas:

CCJPA has been engaged with the Transportation Authority for Monterey County (TAMC) to extend two trains to Salinas once CCJPA can expand service to/from San Jose. TAMC has been actively pursuing the required environmental documentation necessary for service extension to/from Salinas and working with CCJPA staff to explore a variety of service options that work in the Salinas market while at the same time do not denigrate the existing Capitol Corridor service. Unfortunately, all the options explored require CCJPA to first be successful at expanding service to/from San Jose, and TAMC has been a strong partner to CCJPA in working on a plan to accomplish that objective, an effort that is detailed below in the Vision Plan discussion.

Grade Separations:

Grade separations will continue to rank high on the list with both CCJPA and UPRR. However, there are no concrete plans at this time to pursue additional grade separations other than the recently completed Peabody Road separation associated with the now under-construction Fairfield/Vacaville station. The Vision Implementation Plan identifies a vital need to complete grade separations along the entire corridor to allow for the planned higher speed service that could come along in the decades ahead. However, at present, 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.

Vision Plan Update and Long-Term Capital Improvements (FY 2024 and beyond):

In 2013, the CCJPA Board established an CCJPA Board Ad Hoc Vision Plan Subcommittee (“subcommittee”) with the objective to describe a Capitol Corridor service which would look ahead an entire generation. The larger question asked was what would need to be done to meet the transportation needs of northern California in 2030 and beyond, and how CCJPA would achieve the vision. This subcommittee continues to guide longer-term vision for Capitol Corridor service as CCJPA works its way through the three stages of development of the overall Vision Plan process. To date, the CCJPA Board has adopted the Vision Plan Update in November 2014, adopted the Vision Implementation Plan in November 2016 and directed the CCJPA to develop the Vision Communications Plan.

The long-term vision for Capitol Corridor fundamentally involves developing Capitol Corridor service as one where frequency (capped at 15 round-trips) is not limited by existing host railroad agreements.

Instead, the vision is for a service with fifteen minute frequencies in the peak hour, and one where higher-speed service (up to potentially 150 mph – electrified service) is permitted. This vision was first examined at a high-level in the Vision Plan Update (VPU) where core concepts were explored and several viable alignment alternatives were moved forward to the next step. The next step, the Vision Implementation Plan (VIP), eliminated alternatives to one alignment via a phased and detailed engineering and operations level analysis. By identifying a path to a railroad corridor in public control, the implications for layering intercity, commuter, and even high-speed rail, are all viable potential outcomes consistent with the objectives of the developing State Rail Plan. The third and final step of the Vision Plan process, commencing in 2017, is the Vision Communications Plan (VCP), which will develop ridership modeling estimates for various future scenarios, examine economic impacts of implementation (and non-implementation), develop financing options for the improvements, and finally, package the VIP engineering/operations findings and the described VCP tasks into a communications plan crucial for public engagement.

The VIP identifies phased high-level engineering options for strategically and incrementally advancing more frequent service and shorter travel times along portions of the route. It includes prioritized infrastructure and segmented facility projects necessary to incrementally achieve the Vision Plan and thus align with objectives of the emerging State Rail Plan. Each strategic segment becomes a usable operational segment that ultimately helps build toward the route-wide service objectives. What the VIP engineering analysis does not answer (nor was it intended to answer) is the question of value – is building more passenger rail service capacity going to provide a valued amenity to the public? That question must be answered by the VCP process, but what the VIP process did show was that there are viable and strategic ways to expand passenger rail service along the corridor. Future growth challenges with job and housing imbalances, population increases, and opportunities within the Northern California megaregion to support more sustainable economic activity suggest building more regional and megaregional transportation capacity as shown in the VIP may help address these challenges. In addition, the VIP demonstrates a viable engineering path forward to meet with the developing State Rail Plan Update.

In the Business Plan Update submitted two years ago, it was mentioned that future business plans will be developed based on the CCJPA's Vision Plan efforts. This statement could not have been more accurate. The VIP has revealed that CCJPA is in a paradigm shift with respect to large scale capital investment. Sharing tracks with a freight partner is a model that sustained Capitol Corridor's growth to the present and will continue to be a valuable approach with service expansion to/from Roseville, but in the medium and longer term, that model is no longer sustainable. When considering CCJPA's long-held objective to increase service frequency to/from San Jose, the VIP and public investment analysis have clearly shown that dedicated passenger tracks (either through ownership or negotiated use) are a more useful public investment for not only intercity passenger rail but for commuter and high-speed compatible service than the current scheme of shared track use with freight rail. The capital investment of dedicated passenger tracks is significant, but so is the payoff for the public. Pursuing dedicated passenger rail tracks between Oakland and San Jose was recognized in the VIP as one of the key transformational capital investment opportunities not only in terms of the direct benefits of more service frequency in that market, but also for what it sets forth in transforming service across the rest of the route. The Oakland to San Jose service expansion will require a complex negotiation involving freight goods movement, environmental preservation, sea level rise adaptation, but also aspects of governance with the emergence of various layers of passenger rail service as the State Rail Plan objectives envision.

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 17 years, ridership has trended upward as the service provides a viable, transport alternative to the parallel congested I-80/I-680/I-880 highway corridors that is competitive in terms of travel time, reliability, and price.

CAPITOL CORRIDOR
EXPERIENCED ITS BEST YEAR
EVER IN FY15-16: RECORDS
WERE SET FOR RIDERSHIP AND
REVENUES, OTP WAS #1 IN THE
AMTRAK SYSTEM FOR THE 7TH
CONSECUTIVE YEAR, AND
CUSTOMER SATISFACTION WAS
THE HIGHEST EVER FOR THE
SERVICE.

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 1.56 million riders in FY 2015-16 (see Table 5-1), the Capitol Corridor generated over 106 million passenger miles, which corresponds to over 79 million vehicle miles traveled (VMTs) removed from Northern California highways. The net reduction of carbon dioxide provided by Capitol Corridor train service (personal vehicle CO² emissions minus locomotive emissions) was over 13,394 tons for FY 2016-17, the rough equivalent of planting more than 1,913 trees. For health pollutant

impacts, such as ozone and particulate matter, the net effect for Californians is a reduction in those pollutants over automobile travel, and as locomotives are replaced with the ordered Tier 4 cleaner burning locomotives, the net reduction of those pollutants begins to increase significantly.

The CCJPA develops performance standards for the Capitol Corridor service in coordination with the Uniform Performance Standards (UPS) developed by the California State Transportation Agency (CalSTA). The use of data analysis to drive cost effective service improvements has been a theme of CCJPA's management of the Capitol Corridor since assuming management of the service, and the role of data is only expanding moving forward. On June 30, 2014, in accordance with the Intercity Passenger Rail Act of 2012, the UPS starting in FY 14-15 and onwards were updated by CalSTA to measure usage (ridership and passenger-miles), cost efficiency (system operating ratio and total operating costs/passenger-mile), and reliability (end-point on-time performance, station on-time performance, and operator delays/10,000 miles). Table 5-1 summarizes the updated standards and results for FY 2015-16 and for FY 2016-17 through December 2016, 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 2020-21.

FY 2015-16 Performance Standards and Results

The service plan for FY 2015-16 maintained the service that was initiated August 13, 2012 and later adjusted August 22, 2016 with a service plan of 30 weekday trains (22 weekend day). Both service plans were initiated at the time to support significant reductions in operating costs. Each service adjustment noted has been successful at balancing safe service quality, ridership, and revenue against gradually increasing costs. CCJPA is currently operating the maximum level of service frequencies along the entire Auburn-San Jose route permitted by the host railroads (UPRR and Caltrain) with the current available train equipment assigned to the Capitol Corridor.

Table 5-1: System Performance Standards and Results

Performance Standard	FY 15-16			FY 16-17 (through February 2017)			FY 17-18	FY 18-19
	Actual	Standard	% Change	Actual	Standard	% Change	Standard	Standard
<u>Usage</u>								
Route Ridership	1,560,814	1,461,450	+7%	639,781	611,500	+5%	1,592,000	1,608,000
Passenger Miles	104,135,023	98,255,200	+6%	43,326,470	39,063,583	+11%	106,791,000	107,865,000
<u>Efficiency</u>								
System Operating Ratio (train and feeder bus)	56%	50%	+12%	55%	50%	+10%	51%	50%
Total Operating Cost/Passenger-Mile	\$0.55	\$0.64	-14%	\$0.55	\$0.64	-14%	\$0.61	\$0.62
<u>Service Quality</u>								
End-Point On-Time Performance	94%	90%	+5%	89%	90%	-1%	90%	90%
Stations On-Time Performance	95%	90%	+6%	92.3% (through Jan 2017)	90%	+3%	90%	90%
Operator Delays/10K Miles	303	>325	-7%	375	>325	+15%	>325	>325

FY 2015-16 was a historic year for the Capitol Corridor. Records were set for the three R's (ridership, revenue and reliability). Ridership and revenue increased by 6.8% and 7%, respectively, and Capitol Corridor retained the number one spot for on-time performance (reliability) in the Amtrak system for the seventh consecutive year. The primary reasons for the high level of OTP is an effective capitalized maintenance program (resulting in a solid state of good repair) and disciplined dispatching by the host railroads (UPRR and Caltrain) to keep the Capitol Corridor trains operating safely and reliably.

For the busiest trains, Northern California's booming megaregional economy plus high service reliability helped sustain 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. Increases in weekend ridership can be attributed to sporting events served by Capitol Corridor trains by the August 22, 2016 schedule adjustment.

In FY 2015-16:

- Ridership was 1.56 million, an increase of 6.8% over the prior FY 2014-15.
- Revenue was at \$32.2 million, which was 7% above FY 2014-15.
- System operating ratio (a.k.a. farebox return) was 56%, above the 52% ratio for FY 2014-15, primarily due to increased revenues and lower fuel expenses.
- OTP was 94%, keeping the Capitol Corridor as the most reliable IPR service in Amtrak's national system.

FY 2016-17 Performance Standards and Results to Date

The CCJPA, in cooperation with Amtrak and Caltrans, developed the FY 2016-17 standards based on ridership, revenue, and operating expenses identified in the current FY 2016-17 CCJPA/Amtrak operating contract. These standards are presented in Table 5-1.

- Ridership. Year-to-date (through February 2017) ridership is 1.9% above last year and 4.6% above business plan projections due to an improving economy in Northern California (more specifically in Silicon Valley and San Francisco Bay Area employment bases), and strong weekend ridership (due to travel to sporting events [49ers, Raiders, Oakland A's] and weekend promotional offers).
- Revenue. Year-to-date (through February 2017) revenue is 1.7% above last year and 2.1% above business plan projections.
- System Operating Ratio. Year-to-date (through February 2017) system operating ratio (a.k.a. farebox return) is 55%, above the FY 2016-17 standard of 50%.
- On-Time Performance (OTP). Year-to-date (through February 2017) OTP is 89%, which is 1% below the 90% standard.

FY 2017-18 and FY 2018-19 Performance Standards

Table 5-1 provides the preliminary performance standards for FY 2017-18 and FY 2018-19. Appendix C shows the measures used to develop the performance standards. The FY 2017-18 and FY 2018-19 and future operating costs have been developed to conform with PRIIA Section 209 pricing policy, which stipulates that all state-financed, Amtrak-operated intercity passenger rail (IPR) routes under 750 miles shall be priced by Amtrak in a fair and equitable manner.

FY 2017-18 and FY 2018-19 Action Plans

Table 5-2 summarizes projects, ongoing and planned, over FY 2017-18 and FY 2018-19. The projects listed are new, one-time initiatives and do not reflect recurring or annual CCJPA objectives (e.g. develop annual marketing plan, update business plan, rider appreciation events, etc.). Each project shown in Table 5-2 is dynamic and can change based on circumstances beyond CCJPA's control.

Table 5-2: FY 2017-18 and FY 2018-19 Project Summary

PROJECT	Past Fiscal Years	FY2017-18								FY2018-19								Future Fiscal Years	
		Q1 Jul Aug Sep			Q2 Oct Nov Dec			Q3 Jan Feb Mar		Q4 Apr May Jun			Q1 Jul Aug Sep			Q2 Oct Nov Dec		Q3 Jan Feb Mar	
On Board Information System (OBIS) Development and Implementation																			
Station Secure Bicycle Storage																			
Onboard Bicycle Storage Modification																			
Folding Bicycle Rental Program																			
Vision Communication Plan (VCP) Development																			
Sacramento to Roseville 3rd Track Project (Phase 1)																			
Wayside Power at Oakland Maintenance Facility																			
Service Optimization Planning																			
Travel Time Savings Project																			
Renewable Diesel Testing																			
Positive Train Control Implementation																			
Richmond Train Approach Indicator and Parking Validator																			
Auburn Security Cameras, Lighting, and Standby Power																			
Security Cameras at Rocklin, Roseville, and Suisun City																			
Station Safety and Information Signage																			

6. ESTABLISHMENT OF FARES

The CCJPA develops fares in conjunction with Amtrak to ensure the Capitol Corridor service is attractive and competitive with the automobile and other transit options. 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 not required for any of the trains. eTicketing was introduced in FY 2011-12 for one-way/round trip ticket purchases, and in January 2014 all multi-ride tickets were moved to an eTicketing platform. In 2013, CCJPA worked with Amtrak to create a small group ticketing option to replace the loss of ten-ride ticket transferability. The “Take Five for \$5” buy-one/bring up to five others at \$5 each way offer has been utilized during specific promotional periods, with positive response.

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 ratio goal of at least 50%.

FY 2017-18 Fares

Prior to last year, the CCJPA managed to hold fares steady for several years, but, ultimately, fares needed to be raised to index with increased costs (mainly labor and insurance). For FY 2017-18, CCJPA intends to increase multi-ride ticket fares (45-day/10-ride and monthly) by 2% in July 2017, with subsequent 2% increases on multi-ride tickets for the next two years (FY 2017-18 and FY 2018-19). In the past, the CCJPA has incrementally increased fares based on service improvements such as added trains, reduced travel times and served new stations and to address cost increases (such as fuel and Amtrak labor rates). These proposed multi-ride fare increases are intended to offset increased Amtrak operating expenses.

CCJPA ACHIEVED A MILESTONE IN JUNE 2015 WHEN AMTRAK INTRODUCED THE ABILITY TO PURCHASE MULTI-RIDE TICKETS VIA THE AMTRAK APP THAT INCREASED THE CONVENIENCE FOR THE MAJORITY OF CAPITOL CORRIDOR PASSENGERS.

The CCJPA’s planned 2% increase in multi-ride ticket prices for FY 2017-18 may need to be adjusted upwards if there are unforeseen cost increases, such as spikes in fuel prices (which appear somewhat unlikely at this moment). If this action is required, the CCJPA will work with Amtrak to consider factors such as ridership results, revenue levels, variable operating expenses (e.g., fuel), and overall economic conditions along communities in the corridor.

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

- Create and enhance communications channels with customers, before and during their trips, for schedule information, train status, and service advisories.
- Explore a new discount ticket for less-frequent single-ticket riders.
- Enhance customer loyalty and referral programs to retain existing riders and attract new riders.
- Promote the use of the folding bicycle lease program and electronically accessed secure bicycle facilities with Capitol Corridor as they are installed at stations.
- Highlight on-board amenities such as Wi-Fi and the Café Car to emphasize convenience.
- Increase utilization of Amtrak’s various eTicketing initiatives, as they enable real-time validation and improve customer convenience. Having real-time information on ridership and revenue data will also lead to better operating cost efficiencies.

Together, these fare and ticketing programs for FY 2017-18 will enhance customer convenience and increase revenue yield as part of the expanding eTicketing program.

FY 2018-19 Fares

The projected fare structure for FY 2018-19 will include the projected 2% increase in multi-ride ticket prices in July 2017. If operating expenses fluctuate significantly (either increases or decreases), this planned fare increase will be revisited and be adjusted accordingly. Other fare and ticketing opportunities include:

- Continue to expand and raise visibility of transit connectivity programs such as the Transit Transfer Program, joint ticketing, and 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 the San Joaquin services. In accordance with the Interagency Transfer Agreement (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, the ITA ensures that the unique features and amenities of the State-owned train equipment are well utilized and maintained to standards established by Amtrak, the State, and the CCJPA.

Service Amenities

Accessibility:

The Capitol Corridor and the San Joaquin 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. Mobility-impaired persons not in wheelchairs can utilize grip bars at each door, work with conductors to utilize on-train step stools, or even utilize the wheelchair lifts, if needed, to board from the platform. The future OBIS system will include support for inductive hearing devices and compliant video and audio messaging.

THE ADDITION OF A SECOND BIKE CAR HAS DOUBLED THE STORAGE CAPACITY FOR SELECTED TRAINSETS AND HAS BEEN INSTRUMENTAL IN MEETING THE DEMAND OF PASSENGERS WHO BRING THEIR BIKES ONTO CAPITOL CORRIDOR TRAINS.

Information Displays:

Each California rail car is equipped with passenger information displays that provide the train number and destination. OBIS will be implemented to replace these aging systems. The development process for OBIS commenced with the vendor and Amtrak in late FY 2014-15 and will proceed to implementation over a period of several years, but these displays will gradually be upgraded through the implementation of the OBIS system that will involve modern video and audio messaging and announcements.

Lavatories:

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

Telecommunications/Wi-Fi:

All cars in the fleet have Wi-Fi service that runs off of the “brain” car (Café car). This service is free to the customer and permits basic email and web-browsing. Amtrak’s Wi-Fi Connect prohibits streaming services, which would use up excessive amounts of bandwidth for a limited number of users. Free Wi-Fi service launched November 28, 2011, was upgraded in March 2013, and is poised for another upgrade in summer 2018 per Caltrans. Power outlet access at each seat has been available for years and can power and charge passengers’ various electronic devices. The Wi-Fi system is also a basis for operational applications, such as OBIS, which will be added over time as described above.

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) were retrofitted in FY 2013-14 to hold 13 bicycles as opposed to 7 bicycles. The five Surfliner Cab Cars (6000-series) have storage space for up to 13 bicycles in the lower level baggage area. Former California baggage cars (8200 series) have been added to the Capitol Corridor fleet as second bike cars on select Capitol Corridor trains to accommodate increasing demand for on-board bike storage.

Bicycle storage demand on the Capitol Corridor trains has quickly outpaced the capacity to safely meet that demand in recent years. In FY 2012-13, the CCJPA adopted the Bicycle Access Plan, which presents key actions to improve and increase on-train and secure station bicycle capacity.

Food and Beverage Services:

CCJPA is seeing the benefits of food service improvements implemented in prior fiscal years manifest in improved customer satisfaction and increased sales of menu items. Modern point-of-sale registers have

been installed and have been working well. As a future phase of OBIS, CCJPA and Amtrak will evaluate 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 the San Joaquin 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 Northern California Fleet supports both the Capitol Corridor and San Joaquin services. The fleet is a mix of California-owned equipment and leased Amtrak equipment as demonstrated in Table 7-1. New fleet acquisitions under development will dramatically increase service capacity. During FY 2012-13, Caltrans secured funding for 40 new coaches and six cleaner-burning locomotives for the Northern California fleet, the statuses of the coaches and locomotives are explained in Section 4 of this Business Plan Update draft.

Table 7-1
Northern California Equipment Fleet
Capitol Corridor and San Joaquin

California owned rail equipment	NOTES
• 15 P59 locomotives	assigned to San Joaquin and Capitol Corridor service
• 2 DASH-8 locomotives	assigned to San Joaquin and Capitol Corridor service
• 6 Charger locomotives	assigned to San Joaquin and Capitol Corridor service
• 84 bilevel California Coach and Café Cars	assigned to San Joaquin and Capitol Corridor service
• 14 single level Comet Cars	assigned to San Joaquin service

Amtrak Supplemental Equipment	NOTES
• 3 P42 locomotives	assigned to San Joaquin and Capitol Corridor service
• 3 bilevel Superliner coach cars	assigned to San Joaquin service
• 3 single level Café Cars	assigned to San Joaquin service
• 3 NPCU single level baggage cars	assigned to San Joaquin service

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.

Rail Equipment Projects Completed in 2016

- The original nine locomotives owned by the State went through an extensive multi-year State-funded renovation program. The main propulsion engines were rebuilt, exceeding current EPA TIER II emissions standards, thus maintaining our status as one of the cleanest fleets in the nation. Also, the head-end power (HEP) units in the locomotives that provide power for lighting, electrical outlets, etc., were updated to EPA Tier 4 standards.
- The installation of Positive Train Control (PTC) equipment was installed in all the State's 17 locomotives and 19 cab cars.
- The CCJPA contracted with Caterpillar to assist Amtrak with the maintenance and training for the Head End Power (HEP) units in the locomotives.
- As part of the safety and security program, all cab cars and locomotives are now equipped with a "forward facing" digital security camera system. This provides the CCJPA with a valuable tool to protect equipment from vandalism and assist with post-incident investigations.
- The 14 Comet 1B Coaches, three Horizon Diners and three non-powered control-unit (NPCU) cab cars are in use primarily on the San Joaquin service.
- Destination sign software was updated to match current schedules.
- Communication systems had flash memory chips replaced/reprogrammed.

Upcoming Projects in FY 2017-2018

- The HVAC units, ducting and control systems will be replaced to provide better air quality and climate control using new environmentally-friendly technology and refrigerants. All vestibule flooring will be replaced simultaneously.
- The original diner built back in 1995/96 will undergo a rehab of the upper level galley to update the equipment with current technology standards, including new chillers, drainage, counter tops, lighting, internet connections and food storage. The new design will also make the working area more ergonomic for the food service employees.
- New digital video recorders with enhanced picture quality and recording time.
- Inward facing cameras in cab cars and locomotives for added security.
- Upgraded event recorders (black boxes) for better compatibility with PTC and better monitoring of the operation of the trainsets for added safety and security.
- Possible revenue seating added to the upper level of the 8800 series diner cars.
- Preview of new seating proposed for the 6000 series Surfliner cars for passenger feedback to replace the existing seats.
- Rebuilt door operators for the 6000 series Surfliner cars.
- New side door panels for the 6000 series Surfliner cars.
- Rerouting of venting on the waste system on the 8000 series cars to help mitigate foul odors.
- Ongoing replacement and upgrading of the floor panels on the 8000 series cars.
- Destination sign LED displays will have old faded tiles replaced with new tiles.
- Testing of the new OBIS destination sign and PA systems.
- Wi-Fi system will be upgraded to allow more streaming content.

8. MARKETING STRATEGIES

The CCJPA employs a strategy of combining targeted advertising campaigns, multi-channel cross-promotions and media outreach efforts to build awareness of the Capitol Corridor service. A primary objective is promoting the service in key markets and attracting riders to trains with available capacity. Staff will also focus on trying to attract first time riders through advertising, increasing brand visibility in the digital media space, and retaining existing riders. Marketing dollars and impact are maximized through joint promotions and advertising with key partners along the Capitol Corridor service route.

CCJPA'S MARKETING BUDGET HAS BEEN STAGNANT SINCE THE TRANSFER OF THE CAPITOL CORRIDOR SERVICE OVER SIXTEEN YEARS AGO AND THE PROGRAM HAS BEEN ADAPTED TO LEVERAGE IN-KIND PARTNERSHIPS AND LOW COST SOCIAL MEDIA OPPORTUNITIES.

Advertising Campaigns and Brand Awareness:

Advertising campaigns inform leisure and business travel audiences about the advantages of train travel, including amenities, promotions/pricing, and destinations. Campaigns typically employ a mix between traditional and digital media, and are tailored for each campaign. CCJPA's advertising efforts emphasize the Capitol Corridor image and 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.

Promotions:

The CCJPA will also continue successful programs that target specific markets designed to build ridership during off-peak hours such as midday, mid-week and weekend travel. Destination-focused promotions highlight riding the train to Oakland Coliseum and Levi's® Stadium events, creating awareness of the train to reach other leisure destinations throughout Northern California.

Online Presence and Customer Engagement:

The CCJPA places great importance on delivering passenger communications via multiple channels. Efforts include:

- Leveraging Capitol Corridor's online presence across the Internet, boosting participation in online social networking sites, such as Facebook and Twitter.
- Continuing Rider Appreciation programs such as "Cappy Hour" discounted drink days, and other on-board rider-focused events.
- Coordination with Amtrak to enhance customer loyalty via Amtrak Guest Rewards and recent programs like the 25th Anniversary Loyalty campaign.

- Enabling consistent and timely passenger communications such as SMS/text and email service alerts, as well as information exchanged between the Customer Contact center, Marketing and Operations staff to ensure customers receive clear and up-to-date information about the Capitol Corridor service and promotions.
- Integration of our passenger service advisory system, including SMS text and e-mail service alerts, with the Capitol Corridor website and social media 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 increases value and revenues to the advertising program through leveraging partnerships with well-known organizations that share similar target audiences to heighten visibility of the Capitol Corridor brand. This work is increasingly important as advertising channels multiply despite persistent annual flat marketing budgets.

Joint Marketing and Outreach:

The CCJPA achieves cost efficiencies by working with local community partners such as CCJPA member agencies and local destinations to develop creative programs that promote both destination and rail travel. CCJPA also partners with Amtrak and other agencies on select promotions and events to better leverage shared marketing dollars.

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. Use of an online customer comment tracking portal has allowed the CCJPA to improve its communication with the public, as well as coordinating internally to ensure that passengers receive an appropriate and timely response to their request or issue.

Public Relations, Outreach, and Advocacy:

The CCJPA's public information efforts uses traditional and digital media to build awareness about its service updates, promotional offers, transit connections including the Transit Transfer Program, rail safety and customer amenity improvements.

- 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
- Leveraging CCJPA riders who use and benefit from the service as advocates in their communities
- Reciprocal marketing with the tourism and hospitality industry (i.e., hotels, airports, and convention/visitor bureaus)
- 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

FY 2017-18 Marketing Program

The CCJPA's FY 2017-18 Marketing Program will continue to focus on increasing ridership on trains with available capacity by emphasizing the convenience of modern train travel and targeting service periods with the highest growth potential.

The CCJPA will continue its own independent campaigns that position Capitol Corridor as a distinct regional service brand. CCJPA will also coordinate with local partners and Amtrak on the most beneficial promotions, outreach, and shared marketing collateral. Marketing initiatives will also aim to enhance customer communications and engagement with passengers. Key elements will include:

- Developing more digital content (videos, PDFs, etc.) for distribution via website, social media channels and wireless website, to reduce dependency on printed media and enhance social media presence through viral means
- Conduct deeper analysis of ridership data to identify opportunities for micro-markets (single day/train offers, short-distance city pairs, etc.)
- Redesign of Wi-Fi landing page/website, the primary customer touchpoint while they are on board. New design will complement the future OBIS system by being an interactive resource for our passengers. The media- and content-rich site aims to ease the bandwidth demand on the existing Wi-Fi system, and be a resource for our passengers.
- Explore opportunities for shared programs and marketing efforts with the San Joaquin JPA and Pacific Surfliner JPA
- Joint media promotions with marketing partners and continued coordination with Amtrak on selected promotions intended to maximize media dollars and expand market reach.
- Create programs to encourage year-round travel for school/youth groups, and increase outreach to adult and senior citizens' groups.

FY 2018-19 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 targeted loyalty offers for Capitol Corridor customers and deployment of technologies 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.

- Coordination with Amtrak on receiving more detailed promotional performance data reports
- Identify and find solutions for Contact Center communication gaps (night hours, customer service, voice response solutions), research cost-saving solutions, evaluate service hours

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 2017-18 and FY 2018-19.

FY 2017-18 and FY 2018-19 Operating Costs

Based on the Operating Plan and Strategies (Section 3), the CCJPA has prepared an initial forecast for the FY 2017-18 and FY 2018-19 operating expenses, ridership, and revenues. The FY 2017-18 operating costs conform with Section 209 of the Passenger Rail Improvement and Investment Act of 2008 (PRIIA), which was implemented in FY 2013-14 as part national launch of a pricing policy for all Amtrak-operated IPR services under 750 miles. The CCJPA will submit any updated operating cost forecasts by June 15, 2017 based on final estimates provided by Amtrak.

Projected operating costs are shown in Table 9-1 and include the basic train service and associated throughway bus services provided by Amtrak, plus the CCJPA's costs for the Information and Customer Support Services provided at the BART/CCJPA Contact Center and the CCJPA's share of costs relating to the local transit service partnerships. Compared to the existing FY 2016-17 budget, the FY 2017-18 operating costs are expected to decrease by \$472,000 (or -1.3%) due to projected conservative forecasts for ridership [+1.25%] and revenues [+1.25%] that slightly offset the increase in operating (labor) expenses. The CCJPA's budget request for the FY 2018-19 operations plan is expected increase by \$608,000 [+1.7%] compared to the current FY 2016-17 operating budget due to a projected net increase in operating expenses that are greater than the continued conservative growth in ridership and revenues at a 1.0% annual growth rate.

Table 9-1
CCJPA FY 2016-17 - FY 2017-18 Funding Requirement
Capitol Corridor Service

Service Level	Current Proposed		
	FY 2016-17 Budget	FY 2017-18 Budget	FY 2018-19 Budget
Sacramento-Oakland			
Weekday	30	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	1,520,000	1,592,000	1,608,000
Third Party Expenses (a)	\$ 11,833,000	\$ 12,577,000	\$ 12,769,000
Amtrak Expenses (b)	\$ 49,454,000	\$ 51,582,000	\$ 52,964,000
Information/Customer Support Services (c)	\$ 817,000	\$ 817,000	\$ 817,000
TOTAL Expenses	\$ 62,104,000	\$ 64,976,000	\$ 66,550,000
Ticket Revenue	\$ 27,539,000	\$ 30,698,000	\$ 31,158,000
Food & Beverage Revenue	\$ 1,467,000	\$ 1,678,000	\$ 1,703,000
Other Revenue (d)	\$ 552,000	\$ 526,000	\$ 534,000
TOTAL Revenue	\$ 29,558,000	\$ 32,902,000	\$ 33,396,000
CCJPA Funding Requirement			
CCJPA Operating Budget	\$ 32,546,000	\$ 32,074,000	\$ 33,154,000
<i>Net Amtrak Operating Costs [Expenses less Revenues]</i>	\$ 31,729,000	\$ 31,257,000	\$ 32,337,000
CCJPA Expenses - Info/Customer Services	\$ 817,000	\$ 817,000	\$ 817,000
Marketing Budget (e)	\$ 1,174,000	\$ 1,174,000	\$ 1,174,000
Administrative Budget (f)	\$ 2,134,000	\$ 2,134,000	\$ 2,134,000
TOTAL CCJPA Funding Request (g)	\$ 35,854,000	\$ 35,382,000	\$ 36,462,000
Difference from FY16-17 Budget		\$ (472,000)	\$ 608,000
Percent Change from FY16-17 Budget		-1.3%	1.7%
SUPPLEMENTAL ALLOCATIONS			
Minor Capital Projects (h)	\$ 500,000	\$ 500,000	\$ 500,000

(a) Includes Fuel, Host Railroad Maintenance of Way and Host Railroad On-Time Performance Incentive payments.

(b) Expenses for services provided by Amtrak (i.e. On Board Staffing, Station Services, Ticketing and Maintenance of Equipment) and overhead support fees.

(c) Operating expenses for call center/phone information and customer services provided by CCJPA/BART.

(d) Miscellaneous revenue as allocated by Amtrak's Performance Tracking system.

(e) Due to State budget constraints, the FY 2016-17 and FY 2017-18 marketing expenses will be capped at the same levels as the 12 prior fiscal years (\$1,174,000). Does not include contributions by Amtrak or additional resources provided by the State (i.e. market research

(f) Expenses for administrative support of the CCJPA Board and for management of the Capitol

(g) Sum of CCJPA Operating Budget plus Marketing & Administrative Budgets.

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

FY 2017-18 and FY 2018-19 Marketing Expenses

The CCJPA's marketing budget for FY 2017-18 and FY 2018-19 will fund the respective fiscal year's Marketing Programs presented in Section 8. The CCJPA will develop the various campaigns and programs. The budget estimates shown 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 2017-18 and FY 2018-19 Administrative Expenses

Table 9-1 identifies the estimate for the FY 2017-18 and FY 2018-19 budgets that support the administrative activities of the CCJPA for the Capitol Corridor service. The FY 17-18 expenses to support the CCJPA's administrative and management activities will remain the same as the current FY 16-17 Administrative Budget [\$2,134,000].

FY 2017-18 and FY 2018-19 Total Budget

Compared to the current period (FY 2016-17), the FY 2017-18 and FY 2018-19 total budgets for operating, marketing, and administrative costs of the CCJPA are expected to decrease by 1.3% in FY 2017-18 and increase by 1.7% in FY 2018-19. The operating budget FY 2018-19 should be considered draft as Amtrak will not be providing operating cost estimates until late March 2018.

The Capitol Corridor service will remain a part of the state's IPR system, and, pursuant to the ITA, the service will continue to receive annual funding appropriations from the State. To that end, the CCJPA will provide the level of service consistent with funding appropriated by the Legislature and allocated by the State. Any cost savings realized by the CCJPA or revenues exceeding business plan projections during the term of the ITA will be used by the CCJPA for service improvements.

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 subsequently renewed for another five years for the period of February 2010 through February 2015. These five-year terms are consistent with the enactment of AB 1717 in September 2003 that allows the CCJPA Board five years, instead of three, to monitor BART's performance as the Managing Agency. Most recently at the November 2014 Board meeting, the CCJPA Board approved a five-year term with BART for the period of February 2015 through February 2020, and this was supported by BART's Board in 2015.

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 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 2017-18 AND FY 2018-19 to support the Capitol Corridor service are solely expended to operate, administer, and market the service.

11. CONSIDERATION OF OTHER SERVICE EXPANSIONS AND ENHANCEMENTS

This section presents service expansion and enhancement opportunities beyond the CCJPA's FY 2017-18 and FY 2018-19 service plans and funding requirements. Planning for potential new services will require securing capital improvements, additional operating funds, and institutional agreements. These efforts related to the Vision Plan Update and the additional analysis that will be ongoing were previously described in Section 4.

State Rail Plan and Northern California HST Blended Service

The update to the State Rail Plan discussed previously is being developed, compliant with the FRA's requirements, 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 that will be done to conform to meeting Federal planning requirements. The plan incorporates not only the IPR services, but also the planning efforts for the California High Speed Rail system. Capitol Corridor's direct links with the High Speed Rail system will be in San Jose, and, when eventually built as planned, Sacramento, whereas the

existing Capitol Corridor route as a whole is an important feeder/distributor to the High Speed Rail system. During much of FY 2013-14 and FY 2014-15, the CCJPA participated with a host of statewide rail partners in planning for a blended and coordinated California passenger rail system. Subsequently in 2016, with the California High Speed Rail Authority's release of their business plan and a shift toward establishing service at the San Jose Diridon station, the focus has been on how to mesh all the existing and planned expansion of all services in the San Jose area. The leadership by CalSTA expressed through the developing State Rail Plan is advancing the concepts of state rail planning. CCJPA's CIP is developed around becoming a feeder/distributor in the overall state passenger rail system.

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 (TAMC), Caltrain, and VTA regarding expanding Capitol Corridor service to Salinas. Pursuant to CCJPA Board direction, CCJPA staff are actively engaged in this discussion in a manner that protects the existing core service but fairly lays out the requirements of extending service to Salinas (e.g., an integrated train schedule, additional rolling stock, complete and compliant stations, operating funding support, and CCJPA governing/legislative modifications). Plans for this expansion have advanced slowly but steadily and will continue to evolve as funding, operational, and governance matters are addressed. This potential expansion is reflected in the State Rail Plan as appropriate.

A SERVICE EXTENSION TO SALINAS WITH AN INITIAL TWO ROUNDTRIPS IS BEING PLANNED BETWEEN TAMC AND CCJPA BUT THE PROJECT WILL LIKELY BE DEPENDENT ON EXPANDING SERVICE FREQUENCY BETWEEN OAKLAND AND SAN JOSE AND A FULL FUNDING PLAN.

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

- The San Joaquin service
- Amtrak National Network (California Zephyr and Coast Starlight)
- Altamont Commuter Express service (Stockton – Livermore – San Jose)
- California High Speed Rail Authority

APPENDICES

APPENDIX A

Historical Service Statistics

Fiscal Year	Daily Trains	Total Ridership	% Change Prior Year	Riders Per Day	Revenue*	% Change Prior Year	Operating Expenses*	% Change Prior Year	Farebox Ratio*	State 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)	32/30	1,746,397	6.7%	4,785	\$29,200,000	7.4%	\$59,035,857	4.1%	50.2%	\$29,606,390
FFY 12/13	30	1,701,185	-2.6%	4,661	\$29,186,617	-0.05%	\$60,472,128	2.4%	51.0%	\$29,110,318
FFY 13/14 (j)	30	1,419,084	1.1%	3,888	\$29,177,880	-0.03%	\$58,063,314	-4.0%	50.9%	\$28,421,000
FFY 14/15	30	1,474,873	3.9%	4,041	\$30,092,694	3.14%	\$57,586,946	-0.8%	52.0%	\$32,595,784
FFY 15/16	30	1,560,814	5.8%	4,264	\$32,187,647	6.9%	\$57,135,316	-1.0%	55.0%	\$31,745,660
FFY 16/17 (k)	30	639,781	1.9%	4,237	\$13,754,415	2.9%	\$24,015,049	0.3%	59.8%	\$13,136,412

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 w ith 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 (w ith increase to 14 daily trains to/from San Jose).

i. 30 trains began on August 13, 2012 (service optimization w ith re-opening of the Sacramento Valley Station platform).

j. Starting in FY 2014 Amtrak adjusted ridership reports to account for the actual tickets lifted via the scanning of tickets by the conductors, w hich results in ridership forecasts and reports that are 15%-20% below previous forecasts and reports. Previously, multiride tickets w ere not directly logged into the system but the passenger counts for multiride tickets w ere estimated based on assumed inflated usage. Prior year % change is made using adjusted FY 12/13 ridership.

k. Year-to-date data through February 2017

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		\$1,440,575
SUBTOTAL – Station Projects		\$342,393,144
*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		\$85,650,000
Travel Time Savings		\$15,500,000
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
Safety Fencing along ROW		\$1,600,000
Harder Road (Hayward) Undercrossing [2001]		\$8,898,000
Positive Train Control (estimated CCJPA share \$12M)		\$35,000,000
SUBTOTAL – Track and Signal Projects		\$361,649,894
Maintenance and Layover Facility Projects		
San Jose (Pullman Way) Maintenance Facility		\$5,789,862
Oakland Maintenance Facility (new – owned by the State)		\$64,535,956
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		\$9,505,000
SUBTOTAL – Maintenance and Layover Facility Projects		\$82,086,676
Rolling Stock (California Cars and Locomotives – owned by the State)		
Base Rolling Stock		\$238,982,226
2012 Ordered Rolling Stock added to Northern CA pool		\$57,435,192
On-Train Amenities		\$10,404,000
SUBTOTAL – Rolling Stock		\$306,821,418
TOTAL – PROGRAMMED¹ OR COMPLETED PROJECTS		\$1,092,951,132

APPENDIX C
CAPITOL CORRIDOR PERFORMANCE STANDARDS FY 2016-17 TO FY 2020-21

PERFORMANCE STANDARD	FY 2015-16				FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
	ACTUAL	STANDARD	VARIANCE ACTUAL TO STANDARD	PERCENT CHANGE	STANDARD	PRELIMINARY STANDARD	PRELIMINARY STANDARD	PRELIMINARY STANDARD	PRELIMINARY STANDARD
NUMBER OF DAILY TRAINS (SAC-OAK)	30	30			30	30	30	30 (a)	30 (a)
USAGE									
Route Ridership	1,560,814	1,461,000	99,814	6.8%	1,520,000	1,592,000	1,608,000	1,656,100	1,689,000
Passenger Miles	104,135,023	98,255,200	5,879,823	6.0%	101,962,000	106,791,000	107,865,000	110,627,000	112,825,000
Average Daily Ridership	4,276	4,003	273	6.8%	4,164	4,362	4,405	4,537	4,627
Percent Change in Route Ridership	5.8%	-1.9%			4.0%	4.7%	1.0%	3.0%	2.0%
Percent Change in Train Passenger Miles	5.2%	0.7%			3.8%	4.7%	1.0%	2.6%	2.0%
Percent Change in Train Miles	0.4%	-0.1%			0.5%	-0.5%	0.0%	1.9%	0.0%
Passenger Miles per Train Mile (PM/TM)	88.6	84.5	4.1	4.9%	87.2	91.8	92.7	93.4	95.2
COST EFFICIENCY									
System Operating Ratio	56%	48%	7.4%	--	48%	51%	50%	50%	50%
Total Operating Costs per Passenger Mile					\$0.61	\$0.61	\$0.62	\$0.63	\$0.64
Percent Change in Total Revenue	7.0%	-2.6%	-	--	-2.8%	11.3%	1.5%	3.9%	3.0%
Percent Change in Total Expenses	-0.8%	4.5%	--	--	-1.6%	4.6%	2.4%	4.9%	2.8%
Train Revenue per Train Mile	\$25.75	\$24.58	\$1.17	4.8%	\$23.56	\$26.40	\$26.79	\$27.54	\$28.36
Train Revenue per Passenger Mile (Yield)	\$0.291	\$0.276	\$0.01	5.1%	\$0.282	\$0.288	\$0.293	\$0.299	\$0.305
Train Expenses per Train Mile	\$45.38	\$53.12	-\$7.74	-14.6%	\$54.71	\$56.36	\$58.05	\$59.79	\$61.58
Train Only State Cost per Train Mile	\$19.63	\$24.86	-\$5.23	-21.0%	\$25.33	\$25.13	\$26.09	\$27.12	\$27.91
Train Only State Cost Per Passenger Mile	\$0.22	\$0.29	-\$0.07	-24.7%	\$0.29	\$0.27	\$0.28	\$0.29	\$0.29
SERVICE QUALITY									
End-Point On Time Performance	94%	90%	5%	--	90%	90%	90%	90%	90%
Stations On Time Performance	95%	90%	6%	--	90%	90%	90%	90%	90%
Operator Delays per 10,000 Miles	303	>325	(22)	-7%	>325	>325	>325	>325	>325
Percent of California Car Fleet Available	82%	87%	-5%	--	87%	87%	87%	87%	87%
OPERATING RESULTS									
TRAIN AND BUS									
Total Revenue	\$ 32,187,648	\$ 30,406,000	\$ 1,781,648	5.9%	\$ 29,558,000	\$ 32,902,000	\$ 33,396,000	\$ 34,710,000	\$ 35,751,000
Total Expenses (b)	\$ 57,952,316	\$ 63,124,000	\$ (5,171,684)	-8.2%	\$ 62,104,000	\$ 64,976,000	\$ 66,550,000	\$ 69,813,000	\$ 71,733,000
Total CCJPA Operating Budget	\$24,947,669	\$33,093,000	(\$8,145,331)	-24.6%	\$32,546,000	\$32,644,000	\$33,348,000	\$35,103,000	\$35,982,000
TRAIN ONLY									
Train Only Revenue	\$ 30,256,389	\$ 28,582,000	1,674,389	5.9%	\$ 27,539,000	\$ 30,698,000	\$ 31,158,000	\$ 32,627,400	\$ 33,605,940
Train Only Expenses	\$ 53,321,761	\$ 57,497,000	(4,175,239)	-7.3%	\$ 57,150,000	\$ 59,923,000	\$ 61,497,000	\$ 64,760,000	\$ 66,680,000
Train Only State Operating Cost	\$ 23,065,372	\$ 28,915,000	(5,849,628)	-20.2%	\$ 29,611,000	\$ 29,225,000	\$ 30,339,000	\$ 32,132,600	\$ 33,074,060
Train Miles	1,175,000	1,163,000	12,000	1.0%	1,169,000	1,163,000	1,163,000	1,184,900	1,184,900

(a) Anticipated start of two (2) additional round trip trains to/from Roseville in FY19/20, based upon the expected completion of Phase 1 of the Sacramento-Roseville 3rd track project.

(b) Includes operating expenses for call center/phone information and customer services provided by CCJPA/BART.

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

* - Represents fixed price contract cost Actual contract cost may be lower, but not higher.

¶ - Per Business Plan Update/Amtrak Contract

@ - Standard assumes increased train service to San Jose, Placer County: 30 Oakland-Sacramento weekday trains (22 on weekends), 22 daily trains to/from San Jose, 8 daily trains to/from Roseville and 4 daily trains to/from Auburn.

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

APPENDIX D
RIDERSHIP RESULTS

