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Ms. Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W.
Washington, DC 20423-0001

Re: *Capitol Corridor Joint Powers Authority and National Railroad Passenger Corporation – Petitions for Declaratory Order – PRIAA Section 209 Cost Allocation Methodology Implementation, Finance Docket No. 35790*

Dear Ms. Brown:

I am enclosing an original and ten copies of Capitol Corridor Joint Powers Authority Petition for Declaratory Order, the Declaration of David B. Kutrosky and associated appendices in the above-captioned proceeding. Please date-stamp the extra copy provided and return it to our messenger. We have also enclosed a CD with a copy of the enclosed filing in electronic format.

Enclosed is a check in the amount of \$1,400.00 for the filing fee. However, Capitol Corridor Joint Powers Authority is hereby requesting waiver of the associated filing fee pursuant to 49 C.F.R. §1002.2. See 49 C.F.R. §1002.2(e); STB Ex Parte No. 542 (Sub-No. 6) – *Regulations Governing Fees For Services Performed In Connection With Licensing And Related Services-Policy Statement* (Served December 6, 2000). Capitol Corridor Joint Powers Authority is a state government agency filing the request on behalf of the general public. Accordingly, Capitol Corridor Joint Powers Authority requests that the filing fee submitted with the Petition for Declaratory Order to be waived.

Sincerely,

W. Eric Pilsk
Counsel for Capitol Corridor Joint Powers Authority

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Surface Transportation Board

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Enclosures

cc: All Parties of Record

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

FINANCE DOCKET NO. 35790

**CAPITOL CORRIDOR JOINT POWERS AUTHORITY
AND NATIONAL RAILROAD PASSENGER CORPORATION
– PETITIONS FOR DECLARATORY ORDER –
PRIIA SECTION 209 COST ALLOCATION METHODOLOGY IMPLEMENTATION**

**CAPITOL CORRIDOR JOINT POWERS AUTHORITY PETITION FOR
DECLARATORY ORDER REGARDING PRIIA SECTION 209 COST
ALLOCATION METHODOLOGY IMPLEMENTATION**

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Dated: January 17, 2013

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– PETITIONS FOR DECLARATORY ORDER –
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**CAPITOL CORRIDOR JOINT POWERS AUTHORITY PETITION FOR
DECLARATORY ORDER REGARDING PRIIA SECTION 209 COST
ALLOCATION METHODOLOGY IMPLEMENTATION**

Pursuant to the Board’s authority under the Passenger Rail Investment and Improvement Act of 2008 (“PRIIA”), Pub. L. 110-432, Div. B, Title II, Section 209(c), 122 Stat. 4848, 4918, codified at 49 U.S.C. § 24101 note, 49 U.S.C. § 20103(b), 49 C.F.R. § 1117.1, and the Board’s Order in this proceeding entered on December 31, 2013, the Capitol Corridor Joint Powers Authority (“CCJPA”)¹ files this Petition for Declaratory Order to resolve a dispute between CCJPA and the National Railroad Passenger Corporation (“Amtrak”) regarding the applicability of the PRIIA Section 209 Cost Methodology Policy (“Section 209 Methodology”), previously approved by the Board in its Decision dated March 13, 2012 (Docket No. FD 35571). Specifically, CCJPA seeks a declaratory order that the PRIIA Section 209 Methodology does not allow Amtrak to charge CCJPA for a share of Amtrak’s costs to operate its national call centers

¹ CCJPA, a Joint Powers Authority composed of six transportation agencies and established pursuant to California Government Code Section 6500 *et seq.*, does not provide transportation that is otherwise subject to the jurisdiction of this Board. CCJPA participates in this proceeding for the limited purpose of securing a declaration of rights and obligations under PRIIA Section 209 and does not, by virtue of its participation here, subject itself to this Board’s jurisdiction for any other purpose.

because CCJPA has elected not use Amtrak's call centers and because CCJPA and Amtrak have entered into an agreement that precludes Amtrak from seeking compensation from CCJPA for call center services.

INTRODUCTION

The Section 209 Methodology provides for a "menu" of services from which state operators can choose Amtrak to perform. That Methodology expressly allows state operators like CCJPA to "independently contract with alternative service providers for some services rather than Amtrak." Apparently anticipating the new methodology, CCJPA exercised that right in 2005 and decided not to contract with Amtrak for telephone information call center services. CCJPA entered into a contract with Amtrak to establish the terms under which Amtrak would stop providing call center services to CCJPA, pursuant to which Amtrak and CCJPA agreed that CCJPA would pay Amtrak a total of \$618,750 to cover transition costs but that CCJPA would not be responsible for any more call center-related costs. Since 2005, CCJPA has contracted with the San Francisco Bay Area Rapid Transit District ("BART"), CCJPA's Managing Agency, to provide call center services. CCJPA has not requested Amtrak to provide call center services and does not want Amtrak to provide call center services.

Despite PRIIA and the 2005 Agreement, Amtrak now claims that CCJPA is responsible for \$1.26 million in call center costs for FY 2014. Amtrak claims that PRIIA, and the Section 209 Methodology, somehow allow it to charge CCJPA for call center services because Amtrak's sampling of phone calls to its call center suggests that a certain percentage of calls relate directly or indirectly to CCJPA's Capitol Corridor Route. Amtrak has further argued that CCJPA should pay for Amtrak to provide call center services to prevent customer confusion.

Amtrak's position lacks any support under PRIIA, directly violates the plain meaning of the Section 209 Methodology, and is further barred by the 2005 Agreement. Under PRIIA's menu approach, CCJPA is not required to pay for services it did not order. Nor is CCJPA required to accept services from Amtrak that it did not request.

Amtrak's position would turn PRIIA on its head by invoking PRIIA to force CCJPA to pay for services CCJPA did not request, does not want, and that Amtrak itself agreed *not* to provide. Amtrak may believe it has a good plan to improve customer satisfaction, but CCJPA has considered and rejected that plan. Under PRIIA and the Section 209 Methodology approved by the Board, the states are now responsible for deciding how best to meet financial performance and customer satisfaction goals on the Section 209 routes. On the Capitol Corridor route, CCJPA has decided not to use Amtrak's call center services. Under PRIIA, that decision is binding on Amtrak. Amtrak cannot undo that decision through the back door by claiming there are costs somehow attributable to CCJPA for a service CCJPA did not request and that Amtrak itself agreed it would not provide.

Furthermore, Amtrak's position is contrary to the terms of the 2005 Agreement, in which Amtrak *agreed* to stop providing call center services to CCJPA and *agreed* that it was not entitled to compensation beyond the \$618,750 specified in the 2005 Agreement itself. PRIIA did not modify, abrogate, or supersede the 2005 Agreement, and Amtrak remains bound by it. Amtrak cannot unilaterally revoke its contracts and demand payment that it agreed it could not receive. Nothing in PRIIA permits Amtrak to ignore the 2005 Agreement, and the Board should confirm that CCJPA is not responsible for the call center costs Amtrak seeks.

BACKGROUND

I. Overview of The Capitol Corridor Joint Powers Authority Service

A. The Capitol Corridor Joint Powers Authority

CCJPA is a Joint Powers Authority established in 1996 pursuant to California Government Code Sections 6500 *et seq.* and Sections 14076-14076.8 and is composed of six Northern California transportation agencies whose jurisdictions are served by the Capitol Corridor route. Declaration of David B. Kutrosky (“Kutrosky Dec.”) ¶ 4.² In 1998, pursuant to California Government Code Section 14076.4, the State of California Department of Transportation (“Caltrans”) entered into an Interagency Transfer Agreement (“ITA”) with CCJPA to give CCJPA operational control of the Capitol Corridor route for an initial three-year term. *See* Cal. Gov’t Code § 14076.4. The parties extended the ITA for an additional three year term in 2001, and in 2003 the California legislature made CCJPA’s authority over the Capitol Corridor route permanent. *See id.* BART, a constituent member agency of CCJPA, provides day-to-day management support to CCJPA. Kutrosky Dec. ¶ 5. BART also houses CCJPA administrative staff and provides certain other operational services, including customer assistance services through its customer information telephone call center. *Id.*

B. Capitol Corridor Route and Service

The Capitol Corridor route is a 170-mile rail route located in Northern California connecting San Jose, Oakland, and Sacramento, with additional service northeastward to Roseville and Auburn, California. *Id.* ¶ 7. The route parallels the I-880 highway corridor between San Jose and Oakland, and the I-80/I-680 highway corridor between Oakland and

² CCJPA’s constituent agency members are Placer County Transportation Planning Agency, Solano County Transportation Authority, Yolo County Transportation District, Sacramento Regional Transit District, BART, and Santa Clara Valley Transportation Authority. Cal. Gov’t Code § 14076.2.

Sacramento, and includes a total of 17 stations—six staffed and 11 unstaffed—serving eight separate counties.³ *Id.* The State of California provides funding for the Capitol Corridor route. *Id.* ¶ 8. The Union Pacific Railroad (“UPRR”) owns the underlying trackage and right-of-way along 168 miles of the route’s 170-mile length; the Peninsula Joint Powers Board (“Caltrain”) owns the remaining two miles of the route. *Id.* The State of California initiated the Capitol Corridor service in 1991, with Amtrak serving as the contract operator. *Id.*

Over the course of CCJPA’s management of the Capitol Corridor route, weekday trains have increased from 8 to 30 per day over the busiest segment (with 22 trains operating on the weekend over this segment), and ridership has increased 277%. *Id.* ¶ 9. Revenue is also up 374% since CCJPA assumed management responsibilities, while State costs have increased more modestly. *Id.*

Capitol Corridor trains are scheduled in a similar manner to other intercity passenger trains, providing comprehensive intercity passenger travel 365 days a year, including holidays, but with more trains operating during morning and evening commuting periods and less service during interim periods. *Id.* ¶ 10, Ex. 1. Scheduled service is comprised of 30 weekday and 22 weekend trains between Sacramento and Oakland, 14 daily trains between Oakland and San Jose, and two daily trains from Sacramento to Roseville and Auburn. *Id.* ¶ 11. Seating on Capitol Corridor’s bi-level 85 seat cars is unreserved and there is no checked baggage service. *Id.* CCJPA uses primarily California-owned rolling stock for the Capitol Corridor route. *Id.* This rolling stock is leased to CCJPA from the State of California via Caltrans and is pooled together in Northern California to also provide rolling stock for the Amtrak-operated San Joaquin intercity passenger rail route, which is funded and managed by Caltrans. *Id.* A

³ Placer, Sacramento, Yolo, Solano, Contra Costa, Alameda, San Francisco (by motorcoach connection), and Santa Clara. Kutrosky Dec. ¶ 7.

dedicated motorcoach network, operated by third-party contractors, and local transit service supplement the Capitol Corridor Route rail service. *Id.*

CCJPA charges passengers fixed-price fares for tickets based on departure and destination station. *Id.* ¶ 12. Capitol Corridor customers may purchase one way/round trip tickets or multi-ride tickets (monthly or 10-ride) several ways: online; from a ticket agent at one of the six staffed Capitol Corridor stations; through CCJPA-owned electronic kiosks, known as Quik-Trak machines, at all staffed and most unstaffed locations, or from a crew member after boarding. *Id.*

Since assuming management of the Capitol Corridor route, CCJPA has sought to promote the Capitol Corridor as a distinct intercity passenger rail service providing a convenient and enjoyable alternative to driving. *Id.* ¶ 13. CCJPA uses its own Capitol Corridor logo on printed and published materials, including on the trains and at stations. *Id.* CCJPA reserves the right to regulate use of its logo and name by Amtrak. *Id.* Ex. 2, Sec. 1(e). CCJPA maintains a Capitol Corridor website, www.capitolcorridor.org, separate from Amtrak and Caltrans, that provides information regarding the Capitol Corridor route, including routes, schedules, fares, train status, promotions and special offers, and customer support. *Id.* ¶ 13. CCJPA also employs its own marketing strategy for the Capitol Corridor, including advertising campaigns utilizing radio spots, local television, traffic sponsorships, and online paid searches, in order to build public awareness of its service. *Id.*

C. Amtrak is Contract Operator

Amtrak has served as the contract operator of the Capitol Corridor Route since its inception in 1991, first by contract with Caltrans, and now under contract with CCJPA. *Id.* ¶ 15. Amtrak also operates its own separate, unrelated interstate passenger service, the Coast Starlight

and California Zephyr routes, and is the contract operator of Caltrans' California San Joaquin route, over portions of the same UPRR corridor. *Id.* ¶ 16-17. All of Amtrak's Coast Starlight and most of its California Zephyr trains stop only at staffed stations along the portion of the corridor that they share with the Capitol Corridor route.⁴ *Id.* ¶ 18. Amtrak performs Capitol Corridor's online and station ticketing as well. *Id.* ¶ 19.

D. Ticket Sales and Customer Information Services

1. Pre-2006 System

Before October 2005, CCJPA contracted with Amtrak to provide telephone customer service, including telephone ticket purchases and live support through Amtrak's reservation and information call centers. *Id.* ¶ 20. Callers seeking information about Capitol Corridor service called Amtrak's national customer service telephone number. *Id.* Through this automated telephone system, callers could purchase tickets and receive information on fares, schedules, prices and train statuses. *Id.* ¶ 21. For certain services, or at the caller's own request, callers were forwarded to a live agent at one of Amtrak's national reservation and information call centers located in Riverside, California and Philadelphia, Pennsylvania. *Id.* Amtrak's computer reservation and scheduling system included at the time Capitol Corridor route information, and Amtrak agents could sell tickets to Capitol Corridor customers. *Id.* ¶ 21. Amtrak's telephone ticketing service was provided more as a courtesy and was not necessary for CCJPA, however, since seating on the Capitol Corridor was and is unreserved. *Id.* ¶ 22.

⁴ Amtrak's Coast Starlight service serves the Sacramento, Davis, Martinez, Emeryville, and Oakland Jack London, and San Jose/Diridon stations on its way between Seattle, Washington and Los Angeles, California. Kutrosky Dec. ¶ 17. Amtrak's California Zephyr service serves the Emeryville, Martinez, Davis, Sacramento, and Roseville stations before continuing on to Chicago, Illinois. *Id.* ¶ 17. The Roseville station is unstaffed. *Id.* ¶ 18.

2. Reasons for Cancellation of Amtrak Call Center Support

In 2005, CCJPA concluded that Amtrak's telephone ticketing and information services were increasing in costs while Amtrak's call center was not meeting CCJPA's standards for customer service. *Id.* ¶ 27. It became apparent to CCJPA that the costs for Amtrak's telephone reservation system were excessive given the profile of the typical Capitol Corridor passenger (*e.g.*, frequent user typically starting and ending trip within one day) and the basic services provided by the Capitol Corridor trains (*e.g.*, unreserved seating, fixed ticket pricing, no checked baggage). *Id.* ¶ 24. Amtrak's airline-style, yield management reservation system, which adjusts ticket pricing in response to changes in capacity and time of purchase, was unnecessary for CCJPA's unreserved, fixed-price service. *Id.* Although CCJPA did not use Amtrak's yield management function, nevertheless it—and by extension, California tax payers—paid for call center services equipped to handle such a system. *Id.*

Furthermore, CCJPA received customer complaints regarding Amtrak agents' lack of familiarity with specific promotions, local schedule changes, and other information particular to the Capitol Corridor service. *Id.* ¶ 25. Concerned that its marketing and customer service goals were being compromised, CCJPA investigated these complaints through a "secret shopper" initiative and confirmed that Amtrak agents did not always correctly respond to callers' questions and did not always provide accurate information regarding specific promotions publicized by CCJPA to incentivize Capitol Corridor travel. *Id.* In addition, CCJPA also considered the significant sum it paid for Amtrak's call center services relative to the few customers who purchased tickets by telephone. For example, in 2006, Amtrak's live call center services would have cost CCJPA \$1.35 million, while relatively few passengers purchased tickets by telephone. *Id.* ¶ 26. CCJPA concluded that most Capitol Corridor callers to Amtrak's

telephone line sought information rather than to purchase a ticket, and that an information-only telephone service would meet the needs of its customers. *Id.*

3. CCJPA's Decision to Establish Its Own Call Center and Stop Using Amtrak's Call Center

In order to address those cost and quality issues, and to provide better and more efficient service to Capitol Corridor customers at a lower cost to Californian tax payers, CCJPA decided to eliminate ticketing services by telephone while maintaining ticketing online and at stations,⁵ and to transfer Capitol Corridor information call center operations from Amtrak to a call center operated by BART, a constituent agency member.⁶ *Id.* ¶ 27-28. Starting October 1, 2005, CCJPA introduced 1-877-9-RIDE-CC, and began providing information through BART's call center. *Id.* ¶ 28. In order to drive ticket sales online and at stations, CCJPA spear-headed a national effort for mobile phone ticketing systems, which Amtrak eventually adopted. *Id.* ¶ 27. CCJPA also undertook an extensive program to install outdoor ticket vending machines manufactured by and purchased from Amtrak at all Capitol Corridor stations. *Id.*

4. The 2005 Agreement

In order to implement the transition from Amtrak to BART, CCJPA and Amtrak executed an agreement dated December 21, 2005 (the "2005 Agreement") setting forth the terms under which Amtrak would stop providing call center services to CCJPA. *Id.* ¶ 29, Ex. 3. The 2005 Agreement provided specific terms regarding compensation to Amtrak for the one-time costs to establish a call prompt and transfer system. *Id.* ¶ 29, Ex. 3, Attachment A at p. 1. Under this system, a person calling Amtrak's automated call center line from select Northern California area

⁵ CCJPA continues to pay Amtrak for the online and station ticketing services it has contracted with Amtrak to provide. Payment for these continuing services is not the subject of this proceeding.

⁶ CCJPA initially used Amtrak's automated telephone system as a source for Capitol Corridor route information. Kutrosky Dec. ¶ 34. Amtrak no longer provides Capitol Corridor information over its automated telephone system, however. *Id.*

codes would be prompted automatically to select between the Capitol Corridor route system and Amtrak's national system. *Id.* Upon selecting the Capitol Corridor route system, callers would be transferred to the Capitol Corridor number (1-877-9-RIDE-CC), which would be handled by BART's call center. Kutrosky Dec. *Id.* The 2005 Agreement set a maximum payment of \$43,750 for Fiscal Year 2006 to cover Amtrak's cost to establish the call prompt and transfer system:

CCJPA will reimburse Amtrak for the one-time cost of reprogramming and establishing the call prompt and transfer system. CCJPA understands and agrees that the actual costs that will be billed by Amtrak for performance of these services shall not exceed the estimate of \$43,750 without the approval of the CCJPA.

Id., Ex. 3, Attachment A at p. 1.

The 2005 Agreement also capped continuing operating and transition costs, including Amtrak live call center costs, at \$575,000 to be accrued in Fiscal Year 2006 unless otherwise approved by CCJPA:

The sum total of ongoing operating costs identified in 2(a) through 2(c) above, shall not exceed \$575,000 without the approval of CCJPA. However, once such funds have been expended, Amtrak is no longer obligated to continue to provide call center services (for *Capitol Corridor* trains) as defined in the presentation provided to CCJPA on June 27, 2005. Amtrak will continue to provide ticketing and informational services through Amtrak's website, *Quik-Trak self-serve ticketing machines and Capitol Corridor station agents.*

Id. Ex. 3, Attachment A at p. 2 (emphasis in original). CCJPA paid that amount pursuant to the 2005 Agreement. *Id.* ¶ 35.

Pursuant to the 2005 Agreement and subsequent negotiations, Amtrak and CCJPA agreed that starting April 4, 2006, Amtrak's call center agents would cease handling schedule, fare, reservation and train status requests for local travel on the Capitol Corridor route, and Capitol Corridor route fare and schedule information was removed from Amtrak's reservation and

information computer system. *Id.* ¶ 32. Amtrak call center agents were instructed to refer callers to the Capitol Corridor number, 1-877-9-RIDE-CC, for Capitol Corridor information. *Id.*

Similarly, BART call center agents handling calls regarding Amtrak routes other than the Capitol Corridor were instructed to refer such callers to Amtrak's telephone line. *Id.*

Over the months following the transition, CCJPA worked closely with Amtrak to ensure a successful transition of call center services. *Id.* ¶ 33. A joint CCJPA-Amtrak working group continued to meet after the Transition Date to smooth out issues resulting from the transition. *Id.* Both CCJPA and Amtrak developed instructions and informational materials for their respective call centers explaining the transition and the new procedures for handling calls for services covered by the other call center. *Id.* As called for in the 2005 Agreement, CCJPA also paid Amtrak \$575,000 for ongoing costs associated with the transition. *Id.* ¶ 35. Until the present dispute, Amtrak never made any additional requests for compensation for call center costs. *Id.*

5. The Post-2006 Call Center and Ticketing System

The transfer of call center services to BART resulted in lower operating costs to CCJPA. *Id.* ¶ 36. Because BART already operated its own call center, the overhead for providing additional services for CCJPA was less than the cost of Amtrak's services. *Id.* In fact, the transfer reduced the total CCJPA operating cost by \$1.35 million in the first year, which was reinvested to support service expansions. *Id.* By contrast, the costs to CCJPA for BART's call center services was approximately \$400,000 in the first year of operation, FY 2006. *Id.* Additionally, the change allowed CCJPA to exercise more control over the quality of service due to the closer organizational affiliation with BART. *Id.*

Today, CCJPA offers Capitol Corridor customers route-related information via its own customer service telephone line, 1-877-9-RIDE-CC (1-877-974-3322). *Id.* ¶ 37. This number

connects callers to BART's information call center, where agents are trained to provide callers with passenger information, including schedules, fares, train status, and trip-planning services.

Id. The Capitol Corridor telephone number is used only for information purposes—BART agents cannot sell tickets to callers. *Id.* ¶ 38. CCJPA's telephone customer service is integrated with its new online customer service portal in order to provide more accurate collection and tracking of customer service requests. *Id.* CCJPA tickets can be purchased on-line, from agents at stations, from Quik-Trak machines, and from conductors on the train. *Id.* ¶ 12.

Although Amtrak operates the Capitol Corridor service for CCJPA and provides online and at-station ticketing and information, Amtrak's own national automated call system and reservation and information call center operation provides no services related to the Capitol Corridor and is completely separate from BART's call center. *See id.* ¶ 39. Amtrak call center agents are not able to sell tickets for the Capitol Corridor Route, nor do they have access through Amtrak's computer system to information regarding Capitol Corridor's fares, schedules, or promotions. *Id.*

Amtrak continues to display its toll-free number on customer touchpoints throughout the Amtrak system on documents or materials accessed or seen by Capitol Corridor passengers (actual or potential), including on signs at stations only served by Capitol Corridor, and on e-tickets, despite CCJPA having pointed out that this may cause additional confusion for customers. *Id.* ¶ 40.

II. PRIIA

A. Summary of Statute

In 2008, Congress passed, and the President signed into law, the Passenger Rail Investment and Improvement Act, Public Law 110-432 Division B ("PRIIA"), which

reauthorized funding for Amtrak. Section 209 of PRIIA, codified at 49 U.S.C. § 24101 note, which directed Amtrak, the Secretary of Transportation, and certain States served by Amtrak (the “States”) to develop a new single, nationwide standardized methodology for establishing and allocating the capital and operating costs of state-supported routes and other Amtrak routes shorter than 750 miles in length (collectively, “209 Routes”) among the States. 49 U.S.C. § 24101 note, Section 209(a). Section 209(a) entitled the States to “equal treatment in the provision of like services” within five years of the date of enactment. Section 209(a) also required the methodology to allocate to each route the costs incurred “only for the benefit of that route”, and “a proportionate share, based upon factors that reasonably reflect relative use, of costs incurred for the common benefit of more than 1 route.” 49 U.S.C. § 24101 note, Section 209(a)(2). In order to ensure development of a methodology for cost allocation, Congress also empowered the Surface Transportation Board to determine and implement an appropriate cost methodology in the event the states and Amtrak could not reach an agreement. 49 U.S.C. § 24101 note, Section 209(c).⁷

B. Congress Intended to Allow States to Opt Out of Specific Services Under PRIIA as a Way to Allow States to Control Costs on Section 209 Routes

In approaching the issue of unequal 209 Route funding, Congress, Amtrak, and the States sought to achieve a “grand bargain” in which the States paid a “fair share” of 209 Route costs in return for providing States with additional control over the costs they incurred due to their new

⁷ “(c) Review. – If Amtrak and the States (including the District of Columbia) in which Amtrak operates such routes do not voluntarily adopt and implement the methodology developed under subsection (a) in allocating costs and determining compensation for the provision of service in accordance with the date established therein, the Surface Transportation Board shall determine the appropriate methodology required under subsection (a) for such services in accordance with the procedures and procedural schedule applicable to a proceeding under section 24904(c) of title 49, United States Code, and require the full implementation of this methodology with regards to the provision on such service within 1 year after the Board’s determination of the appropriate methodology.”

responsibility. Representative James L. Oberstar, who introduced PRIIA and served as chairman of the House Transportation and Infrastructure Committee during its passage, stated that “[w]e direct Amtrak to work with the States to institute a nationwide methodology for allocating, operating and capital costs, to standardize financial support of Amtrak to the States and the Federal Government to ensure each is contributing their appropriate and fair amount”

Cong. Rec. H5222, H5256 (June 11, 2008) (statement of Rep. James L. Oberstar, Chairman of H. Transp. and Infra. Comm. regarding H.R. 6003). In the Senate, Senator Gordon Smith echoed Representative Oberstar’s observation:

I am pleased to see that this bill moves in a direction that will ensure a more equitable allocation of costs among states, with each state chipping in its fair share. I believe that the state-Amtrak partnerships outlined in this bill—with respect to both the cost allocation and capital match—will be key to ensuring the long-term viability and growth in ridership of intercity passenger rail.

S. 294, The Passenger Rail Investment and Improvement Act of 2007 Hearing Before the Subcommittee on Surface Transportation and Merchant Marine Infra., Safety, and Security of the Committee on Commerce, Science, and Transp., S. Hrg. 110-1064 3 (Feb. 27, 2007) (prepared statement of Sen. Gordon H. Smith).

Equally important to the States, and expressly recognized by Amtrak and Congress, was that States be able to exercise control over costs for Section 209 Routes. One of the key elements of providing that authority was ensuring that States could opt out of particular route-specific services that Amtrak offered. *See* Kutrosky Dec. ¶¶ 42-43. Before PRIIA was even introduced, Amtrak’s President and CEO testified to Congress that Amtrak was seeking to provide the States with a “menu approach” to services for State-supported routes. Before a hearing on DOT appropriations for fiscal year 2008, the then-president and CEO of Amtrak,

Alexander Kummant, anticipated the changes in Amtrak's relationship with State-supported routes as follows:

There are system trains where States don't pay. There are variable payment structures in terms of the history of the services. And as we rotate the whole organization to face the States and build that organization that's fundamentally an issue we need to clarify and, in fact, create an equity across [sic]. We need to have a very clear funding structure, almost a menu approach on services.

Departments of Transportation and Housing and Urban Development, and Related Agencies Appropriations for Fiscal Year 2008, Hearings before a Subcommittee of the S. Committee on Appropriations, S. Hrg. 110-381 90 (Feb. 28, 2007) (statement of Alexander Kummant, President and CEO, Amtrak).

Congressional hearings subsequent to the passage of PRIIA and negotiation of the Section 209 Methodology also reflect that Amtrak, the States, and members of Congress understood that the Section 209 Methodology would provide the States with a "menu" of services from which the States could pick and choose services. At a September 11, 2012 hearing regarding Amtrak's participation in competitive procurements for commuter rail operations before the House Transportation and Infrastructure Committee, Representative Bill Shuster noted that the Section 209 Methodology "was developed as a menu approach, such that States can better control costs by picking and choosing among Amtrak's services." *A Review of Amtrak Operations, Part II: The High Cost of Amtrak's Monopoly Mentality in Commuter Rail Competitions (112-102) Before the H. Comm. on Transp. and Infr.*, 112th Cong. 16-17 (Sept. 11, 2012) (statement of Representative Bill Shuster). The staff report for the hearing mirrored Representative Shuster's statement:

The methodology was developed in a menu approach, such that States can better control route costs by picking and choosing among Amtrak services. Because States will be taking on more financial responsibility for the State-supported routes,

implementation of the methodology will allow each State to make informed decisions about who should provide aspects of their State-supported route services.

H. Comm. on Transp. and Infr. Oversight and Investigations Staff Report Prepared for Chairman John L. Mica, 112th Cong., Amtrak Commuter Rail Service: The High Cost of Amtrak's Operations, 112th Cong. 19-20 (Sept. 11, 2012). At another Transportation and Infrastructure hearing held earlier that summer regarding Amtrak's food and beverage services, members of Congress discussed the opt-out nature included in the 209 Methodology:

Mr. RAHALL. . . . [A]re States currently able to contract out Amtrak's food and beverage service through section 209 committee work Have you heard from any States that have an interest in contracting out?

Mr. BOARDMAN. Yes, there are. As a matter of fact, that is what Patricia [Quinn] did. . . . And States will have the ability under section 209 to contract out.

Mr. RAHALL. Ok. Let me ask Ms. Quinn, why did Maine contract out their food and beverage service on the Downeaster?

Ms. QUINN. Well, while 209 is going to be implemented next year, the State of Maine has always taken financial responsibility for the service and has paid or reimbursed Amtrak for the cost of operating the service. . . . We wanted to be able to manage some of the things that we could manage ourselves.

. . .

Ms. BROWN. . . . Would you please clear up the short-distance? Because, first of all, States have the option to opt out if they want to and provide the services they want.

Mr. BOARDMAN. Certainly. One of the things that has happened, under the section 209 provision under PRIIA, is that States need to pay all the costs of services that they provide. . . . Right now, the States, other than North Carolina and Maine, have not opted to actually begin to implement [State-operated food and beverage service], but they have that opportunity to do in the future.

A Review of Amtrak Operations, Part I: Mismanagement of Food and Beverage Services (112-97) Hearing Before the H. Comm. on Transp. and Infr., 112th Cong. 31-32, 41 (Aug. 2, 2012)

(statements of Representative Nick J. Rahall; Joseph H. Boardman, President and CEO, Amtrak; Patricia Quinn, Executive Director, Northern New England Passenger Rail Authority; and

Representative Corrine Brown). *See also H. Comm. on Transp. and Infr. Oversight and Investigations Staff Memorandum to Members, 112th Cong., Oversight Hearings on “A Review of Amtrak Operations, Part I: Mismanagement of Food & Beverage Services”* 3 (July 27, 2012).

C. The Section 209 Methodology

As required by PRIIA, Amtrak and the States, through a newly formed State Working Group (“SWG”) consisting of representatives from State transportation intercity passenger rail agencies,⁸ negotiated a mutually agreeable cost-allocation methodology, which became the Section 209 Methodology. *See* Kutrosky Dec. ¶ 41. During the negotiation, Amtrak and the States briefed the House Transportation and Infrastructure Committee and the Senate Commerce Committee. *Id.* ¶ 45. In November, 2011, with all of the States except one, Indiana, coming to an agreement, Amtrak submitted the Section 209 Methodology to the Board for approval pursuant to Section 209(c). *Amtrak’s Petition for Determination of PRIIA Section 209 Cost Methodology*, STB Finance Docket No. FD 35571 (Filed Nov. 21, 2011) (“*Amtrak Cost Methodology Petition*”). The Board granted the petition and approved the Section 209 Methodology in a March 15, 2012 decision. Pursuant to Section 209(a)(1), Amtrak and the States had until October 16, 2013, to fully implement the Section 209 Methodology. 49 U.S.C. § 24101 note, Sec. 209(a)(1).

In accord with PRIIA’s goal to balance the additional route costs imposed on the States with greater control over prices through a menu approach to services, the Section 209

⁸ In response to Amtrak’s initial cost allocation methodology proposal, States formed the SWG in order to review, assess, and modify Amtrak’s proposal in order to better reflect the States’ interests. The SWG consisted of representatives from transportation agencies located in five of the States: California, Maine, North Carolina, Virginia, and Wisconsin. California’s SWG representative was CCJPA’s managing director, Mr. David B. Kutrosky. As a result, CCJPA and Mr. Kutrosky, who continues to serve as managing director, played an integral role in developing the methodology required under Section 209. Kutrosky Dec. ¶ 41.

Methodology focuses on segmenting costs by particular type of service. *See* Kutrosky Dec. ¶ 41, Ex. 4 at p. 7-8. Cost allocation in the Section 209 Methodology is based on the Amtrak Performance Tracking (“APT”) system, a relatively new cost-tracking system that tracks approximately 1,600 unique “cost centers” and groups them into mutually exclusive “families” and “sub-families” of costs. *Id.* ¶ 48. One of these cost subfamilies, FM_402 (Information and Reservations), contains call center costs. *Id.* Ex. 4, App. E.

The Section 209 Methodology utilizes the 17 distinct APT-based categories of services, including train and engine crew labor, maintenance of equipment, sales and marketing, reservations and call centers, concessions, and general and administrative, to develop the operating costs, which are used then to develop allocation of these costs to various routes in the Amtrak system. *Id.* Ex. 4 at p. 7. Within each category of operating service, costs are broken down further into “route costs,” *i.e.* costs directly attributable to a particular route, and “support fees,” which cover costs allocated to a certain service but shared among all users of the system. *Id.* Ex. 4 at p. 5-7. During negotiations, the States and Amtrak agreed to allocate as much of the costs to the States in the form of route costs, which the States found easier to understand and verify, rather than support fees, which the States found less easy to understand and further removed from the particular service provided to a particular route. *See id.* ¶ 44. The route cost/support fee distinction reflects the requirement of Section 209(a)(2)—route costs represent costs incurred “only for the benefit of that route,” and support fees represent “a proportionate share . . . of costs incurred for the common benefit of more than 1 route.” *Amtrak Cost Methodology Petition* at 14. Under the Section 209 Methodology, reservation and call center costs are considered exclusively as a route cost, *i.e.*, a cost directly attributable to each particular route. Kutrosky Dec. Ex. 4 at p. 7.

The Section 209 Methodology also contains an “opt out” provision allowing States to select the services they desire:

Optional Services and Pricing

States may wish to independently contract with alternative service providers for some services rather than Amtrak. For example, states may contract directly with vendors for food service, equipment maintenance, and other components of their services. Working with independent service providers may have an impact on the level of service that Amtrak can provide for a state. In these cases, costs that are not incurred by Amtrak would not be included in cost estimates or service reimbursements.

Id. Ex. 4 at p. 7-8. This provision was never a subject of controversy in the negotiations.

Amtrak’s initial proposal for the Section 209 methodology proposal included the opt-out provision and the language was ultimately adopted without change. *Id.* ¶ 44.

III. Current Controversy

A. 2014 Budget Proposal and Operating Agreement

Seven years after the parties agreed to transfer call center duties and CCJPA compensated Amtrak for the costs associated with that transition, Amtrak submitted its Fiscal Year 2014 (“FY14”) Budget to CCJPA for the Capitol Corridor based on the Section 209 Methodology. *See id.* ¶ 46. The FY14 Budget included reimbursement for call center costs totaling \$1.26 million dollars. *Id.* ¶ 46; *see also* Ex. 2, App. XVI. Amtrak submitted the FY14 Budget in conjunction with renegotiation of a new operating agreement, ultimately executed on October 1, 2013 (“FY 2013-14 Operating Agreement”), under which Amtrak performs its passenger rail services for CCJPA. *Id.* Ex. 2. As executed, the FY 2013-14 Operating Agreement expressly incorporates the Section 209 Methodology as the standard for determining payment for services CCJPA hired Amtrak to provide. *Id.* Ex. 2, Preamble, Sec. 3(a). The FY 2013-14 Operating Agreement itself does not include call center services in the list of enumerated services. *Id.* Ex. 2, Sec. 1, 2(a).

Similarly, CCJPA has opted not to use Amtrak for route advertising for FY14, and the FY 2013-14 Operating Agreement does not include those services. *Id.* ¶ 53. For route advertising, CCJPA and Amtrak can enter into discrete funding agreements in which CCJPA can voluntarily contribute its discretionary marketing funds to joint marketing or advertising or related programs with Amtrak’s marketing division in support of the Capitol Corridor service. *Id.* While under the FY 2013-14 Operating Agreement CCJPA may elect to request that Amtrak provide route advertising pursuant to the Section 209 Methodology, CCJPA is not required to do so. *Id.* Amtrak has not objected to omitting route advertising from the FY 2013-14 Operating Agreement, nor has Amtrak included such costs in its FY2014 budget. *Id.*

Amtrak based its FY14 Budget on its capital and operating expenditures for the Capitol Corridor route for Fiscal Year 2012 (“FY12”), adjusted for inflation. *Id.* ¶ 47. For FY12, Amtrak calculated that it spent \$1.2 million relating to the Capitol Corridor service for the APT reservation and call center cost subfamily, FM_402. *Id.* ¶ 47, Ex. 3, Attachment D. Amtrak allocated the costs for the reservation and call center subfamily into seven cost centers included under FM_402 —Western Reservation Sales Call Center, Mid Atlantic Reservation Sales Call Center, Senior Director of Applications – GIO Marketing, Senior Director for Reservation Sales Cost Center, Networks and Technology, and Senior Director for Program Delivery – GIO Marketing—in the following manner:

Western RSCC	\$503,244
Mid Atlantic RSCC	\$420,210
Sr. Dir. Applications - GIO Marketing	\$150,127
Sr. Dir. Strat. & Planning - GIO Marketing	\$59,877
Sr. Dir. Reservation Sales Cost Center	\$49,831
Networks & Technology	\$24,325
Sr. Dir. Program Delivery – GIO Marketing	-\$7,142

Id. ¶ 48, Ex. 3, Attachment D.

B. Talk Time Survey

Pursuant to its cost allocation method under the APT system, Amtrak calculated the percentage of its total reservation and call center subfamily that Amtrak allocated to each Section 209 Route using an estimated percentage share of total “talk time,” which is the time in seconds that a call center agent spent handling calls Amtrak attributed to a specific route. *Id.* ¶ 48.

Amtrak contracted with an outside vendor, PKS Research Partners (“PKS”) to determine the estimated talk time attributable to various routes that Amtrak operates, including the Capitol Corridor service. *See id.* Ex. 3, Attachment E. PKS estimated talk times for Amtrak by monitoring 900 Amtrak call center calls each month and attributing each second of monitored call time to a particular Amtrak route. *Id.* PKS attributed talk time to a particular route according to the following conditions: (1) if a train name was mentioned; (2) if a train number was mentioned; (3) if a city pair was mentioned; (4) if a single station was mentioned. With respect to (3), and (4), if multiple routes served the same station or station/city pairing, PKS allocated talk time based on proportionate ridership (for station/city pairs) or number of originating passengers (for originating stations).⁹ *Id.* Thus, for example, if a conversation stayed at a high level (*e.g.*, general schedule information between two city pairs), the talk time was allocated based on the proportionate share of ridership for each route serving that city pair. If the conversation led to further discussion about a specific train name, the talk time was allocated to the specific train mentioned. *Id.* For FY12, Amtrak estimated that the percentage of talk time attributed to the Capitol Corridor was 1.3% of total talk time surveyed at Amtrak’s call centers. *Id.* Ex. 3 at p. 2.

⁹ Although the city mentioned may sometimes be a destination station, PKS attributed all single station conversations to be originating stations. Kutrosky Dec. Ex. 3, Attachment E.

C. Further Discussions with Amtrak Fail to Resolve Dispute

After receipt and review of Amtrak’s FY14 Budget, CCJPA notified Amtrak that it was not willing to pay for reservation and call center services, although it was amenable to paying a much smaller amount for certain special, limited services directly attributable to the Capitol Corridor service, such as advance group travel, tickets, for unaccompanied minors, and bookings involving travel partially on Capitol Corridor and partially on other Amtrak routes (collectively “Special Services”). *Id.* ¶ 51. Not only did CCJPA dispute the applicability of reservation and call center costs given its decision to opt out pursuant to Section 209, CCJPA also disputed the talk time estimates Amtrak provided as overinflated. *Id.* ¶ 54.

Amtrak rejected CCJPA’s refusal to pay for call center costs and further rejected CCJPA’s offer to pay only for the limited Special Services. *Id.* ¶ 51. Amtrak insisted that CCJPA must take all of the call center services, and pay for all of the call center services, despite CCJPA’s decision not to use Amtrak’s call center for route information services. *Id.*

In order to clarify Amtrak’s talk time survey results, CCJPA asked Amtrak to provide the underlying talk time data so CCJPA could better understand Amtrak’s approach. *See id.* ¶ 49. On June 13, 2013, CCJPA met with Amtrak to review the talk time survey method and procedures. *Id.* On June 28, the parties held a conference call to listen to sample recorded calls from Amtrak’s call centers. *Id.* The sample calls included the following, as subsequently described by Amtrak in a follow up memorandum to CCJPA on August 2nd describing the call center dispute (“Aug. 2 Memo”):

Call	Length	Summary of Events
1	1:13	Caller inquires about travel from Sacramento to Hayward, a city pair served only by Capitol Corridor. Amtrak agent provides Capitol Corridor telephone number to caller.
2	1:49	Caller inquires about next bus available from Reno to Sacramento. Amtrak agent tells caller that we only have train service in those city pairs and

		provides the caller with the Capitol Corridor telephone number.
3	1:20	Caller inquires about departure times for Richmond to Sacramento for this evening. Amtrak agent tells caller we only have 2 trains leaving this evening but other departures may be available on the Capitol Corridor. Amtrak agent provides Capitol Corridor telephone number to caller.
4	3:16	Caller inquires about travel for the following day from Fremont to Sacramento, a city pair served only by Capitol Corridor. Amtrak agent provides Capitol Corridor telephone number to caller and notes that the BART contact center is closed at the time of the call.

Id. Ex. 3 at p. 2. Amtrak also sent CCJPA a spreadsheet showing the amount of talk time attributed to the Capitol Corridor route for the month of April, 2013, organized according to each of PKS's conditions (*i.e.*, caller identification of train name, train number, city pair, or station origin). *Id.* Ex. 3, Attachment C. The sample talk time survey data for April 2013 indicated that the vast majority of talk time attributed to the Capitol Corridor route, 92% during that month, was based on the mention of a station origin or station pairing, while only 8% of talk time was allocated based on mention of a specific Capitol Corridor train number, and no talk time was attributed based on train name. *See id.* Ex. 3, Attachment C. In total, the April 2013 sample talk time survey data identified 48 calls in which 7010 seconds of talk time was attributed to the Capitol Corridor route. *Id.* Accordingly, the average talk time attributed to the Capitol Corridor route for each call was 146 seconds, or nearly 2 ½ minutes. CCJPA estimates that its own call center agents spend an average of no more than 30 seconds per call on wrong number calls concerning Amtrak routes that must be referred on to Amtrak's telephone number. *Id.* ¶ 54.

Amtrak also provided CCJPA with sample spreadsheets showing the total ridership data for each station and station pairing along the corridor served by Capitol Corridor. *Id.* Ex. 5. Although the Capitol Corridor route is the only train service that serves many of the recorded stations or station pairings, Amtrak provides its own bus service from some of these stations. *See id.* ¶ 17, Ex. 5. Other stations are served by both CCJPA and Amtrak.

Despite CCJPA's repeated requests that Amtrak discontinue taking Capitol Corridor calls and instead direct Capitol Corridor callers to CCJPA's telephone number, Amtrak claimed in the Aug. 2 Memo that its only option is to handle Capitol Corridor calls. *Id.* Ex. 3 at p. 3. Amtrak claimed that caller confusion over which telephone number to call is unavoidable. *Id.* In the Aug. 2 Memo, Amtrak called the transfer of call center services to the BART call center seven years previously an "experiment" and concluded that the results showed that it was difficult "to shift public behavior towards calling the alternate contact center. For the variety of reasons we suggest above." *Id.* The only alternatives to the status quo that Amtrak suggested in the Aug. 2 Memo involved Amtrak assuming call center duties. *Id.*

In the Aug. 2 Memo Amtrak also claimed that Capitol Corridor-related calls come in to their line when Capitol Corridor's call center is closed. *Id.* Ex. 3 at p. 2. However, CCJPA analysis has shown that calls to the CCJPA/BART call center are drastically reduced before 8 a.m. and after 9 p.m. *Id.* ¶ 55. This finding prompted CCJPA to adjust its operating hours accordingly, which has resulted in cost savings to CCJPA. *Id.*

Because Amtrak insisted on an "all-or-nothing" approach, and refused to discuss allowing CCJPA to pay less than \$1.26 million to reflect the services for which CCJPA actually contracts with Amtrak, the parties were unable to resolve the dispute. *See id.* ¶ 52, Ex. 2, App. XVI. The FY 2013-14 Operating Agreement does not authorize Amtrak to provide call center services to CCJPA. *Id.* ¶ 52. Similarly, the FY 2013-14 Operating Agreement's payment provisions expressly exclude the disputed \$1.26 million for the disputed call center costs. *Id.* Ex. 2, App. III at p. 1. Instead, the FY 2013-14 Operating Agreement referenced an attached letter agreement ("FY 2013-14 Letter Agreement") explaining the parties' ongoing dispute regarding call center costs and agreeing to submit the dispute to the STB. *Id.* Ex. 2, App. XVI. By mutual

agreement, Amtrak and CCJPA filed a Joint Notice to Initiate a Proceeding for Declaratory Order in this docket to resolve the issue. The STB subsequently issued an order accepting the parties' proposed schedule for resolution of the call center cost dispute.

ARGUMENT

CCJPA's position is straightforward: The Section 209 Methodology expressly allows CCJPA to opt out of any service Amtrak provides. Call center services are treated as a stand-alone service on the Section 209 menu of services. CCJPA and Amtrak agreed in 2005 that CCJPA would stop using Amtrak's call center starting in early 2006 and set a cap on further payments for call center services totaling \$618,750. CCJPA paid Amtrak that full amount and CCJPA does not use Amtrak's center services now. Because CCJPA has elected not to use Amtrak's call center services, CCJPA does not have to pay for such services.

Amtrak's position appears to be that PRIIA somehow allows Amtrak to require CCJPA to pay for call center services despite the 2005 Agreement and despite CCJPA's election not to use Amtrak's call center. Amtrak's position lacks merit and has potential to undermine the agreement between the States and Amtrak memorialized in the Section 209 Methodology by allowing Amtrak, rather than the States, to control the costs incurred by the States and to impose on the States services Amtrak wants to provide. Fundamentally, Amtrak incorrectly interprets Section 209 and turns PRIIA on its head by using PRIIA to impose a monopoly on rail services that the Section 209 Methodology explicitly rejected. Simply stated, Amtrak cannot force CCJPA to accept and pay for Amtrak's call center services that CCJPA did not retain Amtrak to provide, does not want Amtrak to provide, and that Amtrak previously agreed not to provide.

I. Pursuant to PRIIA, CCJPA Has Elected Not to Acquire Call Center Services From Amtrak

A. The Section 209 Methodology Does Not Require CCJPA to Accept or Pay for Amtrak Services It Does Not Want

PRIIA's Section 209 reflects a "grand bargain" between the States and Amtrak in order to assure equality of treatment between intrastate routes. On the one hand, the States are required to pay for certain intrastate routes – the Section 209 Routes – thus relieving Amtrak of the costs of supporting all or some of those routes. On the other hand, Amtrak must be more accountable to the States for its costs and provide the States with the option to contract with entities other than Amtrak for services. This insures that States will have the opportunity to control costs by hiring the most efficient service provider of specific services. It also ensures that States do not have to pay Amtrak for services Amtrak does not provide while assuring that Amtrak is fairly compensated for services it does provide.

In order to implement this bargain, the focus of the Section 209 Methodology was to identify and catalogue Amtrak's cost centers in order to provide a more transparent and accountable pricing system for State operators. *Supra*, pp. 17-18. A critical aspect of the Section 209 Methodology was to create a "menu" of services from which States could pick and choose. Accordingly, the Section 209 Methodology acknowledges that

States may wish to independently contract with alternative service providers for some services rather than Amtrak. For example, states may contract directly with vendors for food service, equipment maintenance, and other components of their services. Working with independent service providers may have an impact on the level of service that Amtrak can provide for a state. In these cases, costs that are not incurred by Amtrak would not be included in cost estimates or service reimbursements.

Section 209 Methodology at 7-8. *See also supra*, pp. 13-17 (discussing legislative history).

B. Call Center Costs Are a Distinct, Route Specific Menu Item That CCJPA Can Choose Not to Order from Amtrak

Pursuant to the Section 209 Methodology, Amtrak’s call center is identified as a separate route cost category – “Reservations and Call Centers” – and assigned a unique cost formula – “FM_402 (Information and Reservations).” Kutrosky Dec. ¶ Ex. 4, at p. 7, App. E. The Section 209 Methodology defines “route costs” as “operating costs closely associated with the operation of a route. Route costs can clearly be evaluated and tracked by Amtrak and the States in the direct provision of a service on a corridor train.” *Id.* Ex. 4 at p. 5. Amtrak itself describes “route costs” as “costs incurred only for [one] route.” *Amtrak Cost Methodology Petition* at 14. Route costs are distinct from “support fees,” which are “costs incurred for the common benefit of more than 1 route.” *Id.* Moreover, call center costs are not part of a “support fee” intended to allocate shared costs associated with a specific route cost. Kutrosky Dec. Ex. 4 at p. 7. Thus, call center services are a distinct, route specific “menu” item that CCJPA can elect not to acquire from Amtrak.

C. CCJPA Has Exercised Its Right Under the PRIIA Methodology to Opt Out of Using Amtrak’s Call Center and Therefore Need Not Pay for Call Center Services

CCJPA has elected not to use Amtrak’s call center services. Over 8 years ago CCJPA and Amtrak executed the 2005 Agreement formally terminating Amtrak’s call center services for CCJPA. *Supra*, p. 9. Under that agreement, CCJPA paid Amtrak \$618,750 to cover Amtrak’s costs of switching call center services to BART. *Supra*, p. 10. The 2005 Agreement makes clear that Amtrak is not entitled to *any* compensation beyond those amounts. *Supra*, p. 10. The 2005 Agreement also makes clear that Amtrak is under no obligation to provide *any* call center services after it has received all of those payments. *Supra*, p. 10. That election was reaffirmed in the FY 2013-14 Operating Agreement. *Supra* p. 19. Because CCJPA does not use and does not want Amtrak’s call center services, CCJPA should not have to pay for those services.

Amtrak's demand that CCJPA reimburse Amtrak for costs allegedly incurred is contrary to the 2005 Agreement and not permitted under the Section 209 Methodology.

II. Nothing in PRIIA or the Section 209 Methodology Allows Amtrak to Charge CCJPA for Call Center Services CCJPA Has Elected Not to Acquire from Amtrak

The linchpin of Amtrak's position appears to be the argument that Amtrak is incurring call center-related costs attributable to CCJPA even though CCJPA does not make affirmative use of the call center. Amtrak relies on its talk time survey to support its position that CCJPA is responsible for 1.3% of the total costs of the call center because the survey purports to show that a certain percentage of calls to Amtrak's call center relate to CCJPA service. Based on that survey, Amtrak estimates that CCJPA is responsible for \$1.26 million in call center costs in 2014, a staggering number to pay for a service CCJPA does not want and did not hire Amtrak to perform. Indeed, Amtrak would force CCJPA to pay for *two* call centers, which is cost prohibitive and a model of unnecessary, wasteful expenditure of California taxpayer funds. PRIIA was intended to *increase* efficiency, not allow Amtrak to reduce it and drive costs up.

As detailed below, Amtrak's reliance on its talk time survey is misplaced because the survey does not show that Amtrak is providing any service to CCJPA, or support the notion that Amtrak is incurring any costs as a result of the Capitol Corridor service. More fundamentally, however, Amtrak's position is foreclosed by Section 209 and the 2005 Agreement.

A. The Section 209 Methodology Does Not Allow Amtrak to Force CCJPA to Pay for Services CCJPA Does Not Want

Amtrak's position is that it is incurring costs by dealing with CCJPA-related calls, and can therefore recover those costs from CCJPA. PRIIA does not support Amtrak's position, however. Fundamentally, PRIIA requires states to pay only for costs that *benefit* a particular route, directly or indirectly. 49 U.S.C. § 24101 note, Section 209(a)(2). This shifts the pricing formula from simple cost recovery to a fee-for-service model that, in the words of Amtrak, requires Amtrak to

reorient its pricing and service philosophy to “face the States” directly as a service provider. *Supra* p. 15. This concept of paying for services is reflected explicitly in the Section 209 Methodology, which allows a State to opt out of any of the services on the Amtrak “menu.”

The obvious implication of the opt-out rule is that States do not have to pay for services they do not request. Here, CCJPA has opted out of Amtrak’s call center services. Accordingly, Amtrak’s call center operators cannot sell CCJPA tickets, nor can they access CCJPA route, fare, or schedule information through Amtrak’s reservation system. Now that CCJPA has opted out of Amtrak’s call center, the burden shifts to Amtrak to assure that it does not provide call center services (beyond what is required in the 2005 Agreement). It cannot recoup costs for services that it was not asked to provide.

Amtrak’s position is utterly at odds with the Section 209 Methodology agreed to by the States and Amtrak (via its Board of Directors) and approved by the STB, which explicitly allows States to choose the services they wish Amtrak to perform. Under the Section 209 Methodology, the States are ultimately responsible for the quality of service, and customer satisfaction, where Amtrak does not provide a particular service. Amtrak has accepted this principle in other situations. For example, the Northern New England Passenger Rail Authority (“NNEPRA”) contracts its food service on the Downeaster service to a third-party catering company which handles menu, food preparation and oversight, budget and related costs and customer interface with the on-board food services on the Downeaster service *instead* of Amtrak. Kutrosky Dec. ¶ 57. Similarly, Amtrak has accepted CCJPA’s decision to opt out of Amtrak’s services for route advertising costs on the Capitol Corridor Route itself. PRIIA vests the decision of what services Amtrak can provide in the States, and Amtrak cannot itself pick and choose when it will honor a State’s decision to opt out of Amtrak service and when it will not.

Amtrak's position that PRIIA allows Amtrak to charge a State for services the State did not request would lead to the absurd result that Amtrak could unilaterally decide to provide a service that it thinks benefits the State, and charge the State for those costs even where the State has contracted with another entity. Indeed, Amtrak appears to believe that it can elect to provide services, and demand payment for those services, even where Amtrak contracted *not* to provide those services. That is directly contrary to the basic premise of the Section 209 Methodology, which allows a State operator to opt out of discrete Amtrak services if the State believes it can obtain better service from another contractor. This position by Amtrak is not supported by the Section 209 Methodology, as detailed above. Moreover, if allowed to stand, this position would fundamentally undermine current and future Section 209-based operating agreements between Amtrak and States by denying the States the ability to control costs and select service providers, while allowing Amtrak to dictate the costs and menu of services a State must accept from Amtrak. That position is plainly at odds with PRIIA's goal of letting States manage their own services.

Amtrak attempts to justify its call center practices by claiming there is a level of consumer confusion between CCJPA and Amtrak services and call centers, and arguing that Amtrak can improve customer satisfaction by providing call center services.¹⁰ *Id.* Ex. 3 at p. 3. CCJPA understands that Amtrak may also be motivated to be responsive to any caller in order to keep its customer satisfaction rankings high. But whatever time Amtrak employees are spending on CCJPA issues is the result of unilateral decisions Amtrak has made based on Amtrak's unilateral business judgments. Amtrak cannot impose costs on CCJPA without

¹⁰ It appears that Amtrak is increasing consumer confusion rather than reducing it. On printed material at stations and on e-tickets Amtrak includes numbers for *both* the CCJPA call center *and* the Amtrak call center. Amtrak cannot blur the lines between its service and CCJPA's service, and then claim that the 2005 Agreement is not workable. Kutrosky Dec. ¶ 40.

CCJPA's consent, nor can Amtrak unilaterally decide to do work that CCJPA expressly told it not to do and then require CCJPA to reimburse it for that unwanted work.

Amtrak's position reveals that Amtrak simply fails to understand that Section 209 Routes are now under the control of the *States* and that the *States* are now directly responsible for customer satisfaction for those services that Amtrak is not under contract to provide. *See id.* ¶ 42-43. More fundamentally, and true to the tenets of the Section 209 Methodology, CCJPA gets to decide how it wants to handle call center services, not Amtrak. In late 2005 CCJPA made a business decision to stop telephone ticket sales because CCJPA operates an unreserved service and has no need for an expensive reservation system. Instead, CCJPA committed to making ticket sales only over the Internet or at stations, and invested its own funds to install outdoor ticket vending machines and spear-headed the national effort for a mobile phone ticketing system that eventually Amtrak used to launch its e-ticketing services. Moreover, CCJPA determined it could utilize BART's call center to provide information to passengers at substantially lower costs, and with a higher level of service, than Amtrak could provide.

CCJPA made the business decision that such a change was in the long-term best interests of CCJPA, Capitol Corridor passengers, and California taxpayers, who finance the operation of the service, and contracted with Amtrak to end CCJPA's use of the Amtrak call center. CCJPA's business decision accepted the risk that a small minority of callers may receive less than ideal service when they call Amtrak's call center by mistake. That risk was (and remains) acceptable to CCJPA because of the substantial benefits and cost savings of using its own call center. Amtrak may disagree with that decision, but it cannot overrule that decision, and nothing in PRIIA authorizes it to do so through the "back door" by voluntarily providing what it believes is a "service" and demanding payment.

B. PRIIA Does Not Allow Amtrak to Breach the 2005 Agreement

In addition to PRIIA, Amtrak's claim for further payments for call center services is precluded by the 2005 Agreement. The 2005 Agreement represents the final transfer of CCJPA call center functions from Amtrak to BART. Pursuant to the 2005 Agreement, "Amtrak is no longer obligated to continue to provide call center services (for *Capitol Corridor* trains)" after CCJPA has made the required payments. *Id.* Ex. 3, Attachment A at p. 2. The change in CCJPA's service was not an "experiment" that Amtrak could unilaterally end as Amtrak suggests in its August 2 Memo. The switch was a final decision, supported by a binding and final contract between Amtrak and CCJPA. The 2005 Agreement also provides a final answer to Amtrak's ability to seek compensation for further call center costs by establishing a hard cap on payments by CCJPA: "The sum total of ongoing operating costs identified in 2(a) through 2(c) above, shall not exceed \$575,000 without the approval of CCJPA." *Id.* Ex. 3, Attachment A at p. 2.

Under the plain terms of the 2005 Agreement, therefore, Amtrak cannot seek any additional compensation from CCJPA for call center operating costs. Amtrak further agreed that it had no obligation to provide call center services after the transition period ended. Amtrak thus accepted the risk that it would incur additional call center costs. Pursuant to the 2005 Agreement, therefore, CCJPA has no further financial obligations to Amtrak for Call Center.¹¹

Nothing in PRIIA changes that. As a matter of law, new legislation is presumed not to govern or retroactively affect contracts between private parties, absent clear Congressional intent. *See Landgraf v. USI Film Products*, 511 U.S. 244, 271, 280 (1994) ("[T]he presumption against retroactive legislation is deeply rooted in our jurisprudence, and embodies a legal doctrine centuries older than our Republic. . . . If the statute would operate retroactively, our

¹¹ As discussed above, *supra* p. 19, nothing in the FY 2013-14 Operating Agreement addresses call center costs or purports to terminate the 2005 Agreement.

traditional presumption teaches that it does not govern absent clear congressional intent favoring such a result.”). In order for subsequent legislation to alter the terms of a contract, the parties must make that intent clearly in the contract itself. *Kia Motors America, Inc. v. Glassman Oldsmobile Saab Hyundai, Inc.*, 706 F.3d 733, 738-39 (6th Cir. 2013) (“Contracting parties are free to agree that their rights and duties will track the law as it changes, but because the terms of their bargain could be significantly altered, they must make their intent to do so clear.”). *See also* 11 Williston on Contracts § 30:23 (4th ed.) (“Thus, as a rule of construction, changes in the law subsequent to the execution of a contract are not deemed to become part of [the] agreement unless its language clearly indicates such to have been [the] intention of [the] parties”).

Here nothing in the 2005 Agreement makes it subject to future changes in the law. Similarly, nothing in PRIIA suggests that Congress intended to change the terms of then-existing contracts. Moreover, nothing about the 2005 Agreement is inconsistent with PRIIA, since the 2005 Agreement anticipates PRIIA by establishing the terms under which CCJPA would exercise its right to acquire call center services from a provider other than Amtrak. Again, it would turn PRIIA on its head if PRIIA were to somehow allow Amtrak to force CCJPA to pay for services it does not want, which Amtrak previously agreed not to provide, and for which Amtrak agreed not to accept further payment. Accordingly, nothing in PRIIA allows Amtrak to renege on its prior Agreement and force CCJPA to utilize Amtrak’s call center when CCJPA does not want to. Nor does PRIIA require CCJPA to make payments that are precluded by the 2005 Agreement.

III. Amtrak’s Allocation of Call Center Costs to CCJPA Overstates Amtrak’s Costs and Does Not Show That Amtrak Provides Any Services to CCJPA

Even if Amtrak could justify its demand for payment as a matter of law, its demand must still be rejected because Amtrak has grossly overstated the allocation of costs with respect to

handling calls allegedly related to the Capitol Corridor service. Amtrak bases its allocation of the call center costs on two numbers. First, Amtrak has compiled its total costs of call center operations. This includes the costs to maintain and operate its computerized reservations and ticketing system, including its sophisticated yield-management pricing algorithms, which CCJPA does not use. Second, Amtrak multiplies that number by the percentage of time allegedly attributed to CCJPA service based on Amtrak's talk time survey. Careful analysis of the data Amtrak has provided, however, confirms that Amtrak is not directly providing any substantial service to CCJPA and is not incurring any actual costs attributable to CCJPA.

A. Amtrak Cannot Charge CCJPA for Call Center Service CCJPA Cannot Use

First, Amtrak operators cannot use Amtrak's reservation and ticketing system to provide information on CCJPA routes, fares, or schedules because that information is not in that system. Amtrak operators cannot sell CCJPA tickets or make reservations on CCJPA trains. CCJPA receives no benefit whatsoever from Amtrak's call centers reservation and ticketing system.¹² Indeed, the 2005 Agreement was motivated in large part by CCJPA's desire not to have to pay for services it did not, and could not, use, given its unreserved and single-fare service. At most, an Amtrak operator has to type the name of a station or city into the system to determine that Amtrak does not serve that station. But that is not providing a service to CCJPA; it is simply responding to an inquiry from the public about Amtrak's service. Accordingly, there is no justification for Amtrak to allocate to CCJPA *any* costs associated with the reservation and ticketing system, including associated overhead, management, and capital costs.¹³

¹² As noted above, CCJPA pays for Amtrak's ticketing services at staffed stations, at Quik-Trak machines, and over the Internet through separate cost centers.

¹³ In contrast, CCJPA continues to make limited use of, and has offered to pay for, Special Services provided by Amtrak. Kutrosky Dec. ¶ 51. Indeed, Amtrak estimates the costs of these services to be approximately \$585,000. *Id.* Amtrak refused to accept that payment, however,

B. The Talk Time Survey Data Shows That Amtrak Incurs No Meaningful Costs for CCJPA's Benefit

The talk time survey does not appropriately allocate time to CCJPA. The vast majority of time Amtrak has allocated to CCJPA – about 92% – relates to calls regarding specific stations or city-pairs. Where a station is served by both Amtrak and CCJPA, Amtrak has allocated that talk time based on relative passenger use at those stations. But there is nothing about a call for information about a station served by Amtrak that suggests it is a call related to CCJPA, for the simple reason that other Amtrak services share stations with the Capitol Corridor. Indeed, one could logically conclude that because the call was made *to Amtrak* inquiring about a station served *by Amtrak* that the caller was an Amtrak customer calling about Amtrak service at a station Amtrak serves. The coincidental fact that CCJPA also offers service at that station does not mean that CCJPA must shoulder a share of the “costs” associated with responding to that call cannot be justified.

The inequity of Amtrak's allocation is highlighted by the examples Amtrak provided in its Aug. 2 Memo. In one of those calls, the caller asked about service between city pairs served by both Amtrak and CCJPA. Kutrosky Dec., Ex. 3 at p. 2. Amtrak provided the information on Amtrak, but the agent also volunteered that additional service may be available on CCJPA. The call was clearly an Amtrak call, and it could have been handled without reference to CCJPA. CCJPA cannot be required to pay Amtrak for the voluntary mention of CCJPA's service.

Even if a caller called Amtrak to ask about service at a station only served by CCJPA, there is no reason to allocate that call to CCJPA. A caller could be calling about Amtrak service without knowing that Amtrak does not serve that station. Amtrak cannot simply assume a caller is calling about CCJPA service based only on the mention of a specific station. Indeed, Amtrak

insisting that CCJPA also accept Amtrak's other so-called call center services at a cost of \$1.26 million. *Id.*

offers connecting bus service at some stations it does not serve by rail. At most, the call is, in effect, a wrong number. The call could be handled by simply saying Amtrak does not service that station, which does not impose a true cost on Amtrak. To the extent Amtrak does anything more, it does so as a volunteer for its own purposes – for example to keep its own customer satisfaction ratings high – but does not trigger an obligation by CCJPA to pay any of the costs associated with Amtrak’s unilateral decision.

According to Amtrak, only a small fraction of the time reflected in the talk time survey – approximately 8% – reference CCJPA service expressly (by either train name or number). It should be noted that Amtrak has not provided examples of such calls, so it is impossible to validate Amtrak’s allocation. In any event, 8% of total time is negligible and certainly does not represent a true “cost” to Amtrak or “service” to CCJPA. As that small number reflects, those calls should and can be handled relatively quickly. The costs associated with the time to take those calls were part of the transition fee negotiated in the 2005 Agreement. Moreover, Amtrak is not providing any service to CCJPA; it is simply terminating a call that is, in effect, a wrong number. Accordingly, there is no legal basis for Amtrak to seek additional payment now for responding to calls to Amtrak’s number.¹⁴

C. Amtrak’s Own Conduct Contributes to Any Costs Amtrak May Incur

Moreover, the total duration of calls appears to be increased by Amtrak’s practices. Of the four calls to its call center Amtrak summarized in the Aug. 2 Memo, three were regarding city pairs served only by CCJPA, and Amtrak referred the caller to CCJPA. Amtrak reported

¹⁴ Moreover, Amtrak customers regularly call the CCJPA call center seeking information about Amtrak service, and CCJPA operators simply tell the caller to contact Amtrak. CCJPA estimates that such calls take 30 seconds or less. Similarly, callers seek information about stations served by both Amtrak and CCJPA, and CCJPA operators simply provide that information. CCJPA does not seek compensation for dealing with those calls; they are simply the cost of doing business and impose no genuine costs on CCJPA.

talk time of 1:13, 1:49, and 3:16 for those calls. *Id.* Ex. 3 at p. 2. In contrast, when CCJPA receives calls about Amtrak's service, it takes only 30 seconds or less to make the referral to Amtrak and end the call. *Id.* ¶ 54. It is difficult to understand why Amtrak takes so long to make a simple referral, and CCJPA should not have pay for Amtrak's inefficiency. It may be that Amtrak operators are taking the initiative to access information about CCJPA's service over the Internet in order to answer questions about CCJPA service. But that is not anything CCJPA requested, and is in fact what CCJPA intended to stop in the 2005 Agreement. Under the 2005 Agreement, Amtrak operators should quickly end or transfer calls relating to CCJPA service rather than spend time with those callers. CCJPA should not have to pay Amtrak to provide a "service" CCJPA does not want simply because Amtrak has unilaterally decided to volunteer such services.

Furthermore, to the extent there is confusion among callers about which customer service telephone number to call, Amtrak is responsible for this confusion because of its practice of posting its telephone number on documents or materials accessed or seen by Capitol Corridor passengers (actual or potential), including on signs at stations only served by Capitol Corridor and on e-tickets. Amtrak cannot claim that confusion among callers is somehow unavoidable if it is the one creating the confusion.

CONCLUSION

For the foregoing reasons, CCJPA respectfully requests the Board to declare that Amtrak the PRIIA Section 209 Cost Methodology Policy does not permit Amtrak to require CCJPA to pay Amtrak for any costs associated with Amtrak's call centers.

Respectfully submitted,



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Counsel for Capitol Corridor Joint Powers
Authority

Dated: January 17, 2014

CERTIFICATE OF SERVICE

I hereby certify that I am providing a copy of CAPITOL CORRIDOR JOINT POWERS AUTHORITY'S PETITION FOR DECLARATORY ORDER REGARDING PRIIA SECTION 209 COST ALLOCATION METHODOLOGY IMPLEMENTATION upon the following parties of record by email and by first class U.S. mail, postage prepaid and properly addressed:

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Dated this 17th day of January, 2014

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

FINANCE DOCKET NO. 35790

**CAPITOL CORRIDOR JOINT POWERS AUTHORITY
AND NATIONAL RAILROAD PASSENGER CORPORATION
– PETITIONS FOR DECLARATORY ORDER –
PRIIA SECTION 209 COST ALLOCATION METHODOLOGY IMPLEMENTATION**

**CAPITOL CORRIDOR JOINT POWERS AUTHORITY PETITION FOR
DECLARATORY ORDER REGARDING PRIIA SECTION 209 COST
ALLOCATION METHODOLOGY IMPLEMENTATION**

DECLARATION OF DAVID B. KUTROSKY

1. My name is David B. Kutrosky and I am the current Managing Director of the Capitol Corridor Joint Powers Authority (“CCJPA”). The facts stated herein are within my personal knowledge and are true and correct.

2. I have held my current position since 2009. Before that, I served as Deputy Managing Director for CCJPA for four years. I have been with CCJPA since its inception in 1996.

3. I have over twenty five years of extensive multi-modal transportation engineering, planning, and financing experience. Prior to joining CCJPA, I worked in the Planning Department at the San Francisco Bay Area Rapid Transit District (“BART”) where I oversaw BART’s planning efforts to develop a regional passenger railroad service, which led to BART’s role as managing agency to CCJPA. Before joining BART, I worked as a consultant in traffic engineering, transit operations planning and airport planning and design. I hold a bachelor’s

degree from University of California, Los Angeles and a master's degree from University of California, Berkeley.

I. Capitol Corridor and the Capitol Corridor Joint Powers Authority

A. The Capitol Corridor Joint Powers Authority

4. CCJPA is a Joint Powers Authority established pursuant to California law. It is composed of six Northern Californian transportation agencies whose jurisdictions are served by the Capitol Corridor route. CCJPA's constituent agency members are Placer County Transportation Planning Agency, Solano County Transportation Authority, Yolo County Transportation District, Sacramento Regional Transit District, BART, and Santa Clara Valley Transportation Authority. The California legislature established CCJPA in 1996 in order to assume administration and management responsibilities for the Capitol Corridor service.

5. BART, a constituent member agency of CCJPA, provides day-to-day management support to CCJPA. BART also houses CCJPA administrative staff and provides certain other operational services, including customer assistance services through its customer information telephone call center.

B. Capitol Corridor Route and Service

6. As Managing Director and longtime member of CCJPA's management team, I have extensive personal knowledge regarding the features, history, operation, and management of the Capitol Corridor service.

7. The Capitol Corridor route is a 170-mile rail route located in Northern California connecting San Jose, Oakland, and Sacramento and extending beyond Sacramento northeastward to Roseville and Auburn, California. The route parallels the I-880 highway corridor between San Jose and Oakland, and the I-80/I-680 highway corridor between Oakland and Sacramento, and

includes a total of 17 stations—six staffed and 11 unstaffed—serving eight separate counties: Placer, Sacramento, Yolo, Solano, and Santa Clara, Contra Costa, Alameda, San Francisco, the last three served by motorcoach connection.

8. The State of California initiated the Capitol Corridor service in 1991, and continues to provide funding for the Capitol Corridor route. Amtrak has served as the contract operator since 1991. The Union Pacific Railroad (“UPRR”) owns the underlying trackage and right-of-way along 168 miles of the route’s 170-mile length; the Peninsula Joint Powers Board (“Caltrain”) owns the remaining two miles of the route.

9. Over the course of CCJPA’s management of the Capitol Corridor route, weekday trains have increased from 8 to 30 per day over the busiest segment (with 22 trains operating on the weekend over this segment). Ridership for the Capitol Corridor route has increased 277%, and revenue has increased 374%, since CCJPA’s management of the Capitol Corridor began. State funding of the Capitol Corridor has increased to a smaller extent than either revenue or ridership since CCJPA assumed management responsibilities of the Capitol Corridor.

10. Capitol Corridor trains are scheduled in a similar manner to other intercity passenger trains in the world, providing comprehensive intercity passenger travel 365 days a year, including holidays, but with more trains operating during morning and evening commuting periods and less service during interim periods. *See* http://www.capitolcorridor.org/included/docs/schedules/train_schedules.pdf) (“*Capitol Corridor Train Schedule*”), at 2-7, a true and correct copy of which is attached as Exhibit 1.

11. Scheduled service is comprised of 30 weekday and 22 weekend trains between Sacramento and Oakland, 14 daily trains between Oakland and San Jose, and two daily trains from Sacramento to Roseville and Auburn. Seating on Capitol Corridor cars is unreserved and

there is no checked baggage for these trains. Capitol Corridor's passenger cars are bi-level, 85 seat cars. CCJPA uses primarily California-owned rolling stock for the Capitol Corridor route. This rolling stock is leased to CCJPA from the State of California via the California Department of Transportation ("Caltrans") and is pooled together in Northern California to also provide rolling stock for the Amtrak-operated San Joaquin intercity passenger rail route, which is funded and managed by Caltrans. Capitol Corridor service is supplemented by a dedicated motorcoach network, operated by third-party contractors, and local transit service supplements.

12. CCJPA charges passengers fixed-price fares for tickets based on departure and destination station. Capitol Corridor customers may purchase one way/round trip tickets or multi-ride tickets (monthly or 10-ride) online, from electronic kiosks or a live ticket agent at Capitol Corridor stations, and from a crew member after boarding.

13. Since assuming management of the Capitol Corridor route, CCJPA has sought to promote the Capitol Corridor as a distinct intercity passenger rail service providing a convenient and enjoyable alternative to driving. As part of this mission, CCJPA engages in its own marketing and promotional activities in order to build public awareness of its service, and on occasion partners with CCJPA member agencies, Amtrak, and other interested parties to carry out joint promotional and marketing programs and initiatives. These activities including using CCJPA's own Capitol Corridor logo on printed and published materials on trains and at stations, maintaining a separate www.capitolcorridor.org website distinct from Amtrak's and Caltrans's websites, and engaging in advertising campaigns utilizing radio spots, local television, traffic sponsorships, and online paid searches.

C. Amtrak is Contract Operator

14. As CCJPA's Managing Director, I am responsible for overseeing performance of Amtrak, which serves as the operator for the Capitol Corridor route.

15. Amtrak has served as the contract operator of the Capitol Corridor Route since its inception in 1991. Amtrak recently entered into a new operating agreement, National Railroad Passenger Corporation and Capitol Corridor Joint Powers Authority Agreement for the Provision of Rail Passenger Service, Oct. 1, 2013 ("Operating Agreement"), a true and correct copy of which is attached as Exhibit 2.

16. In addition to operating the Capitol Corridor service on behalf of CCJPA, Amtrak operates the San Joaquin intercity passenger rail service under contract with Caltrans over portions of the same UPRR corridor as the Capitol Corridor.

17. Amtrak also operates its own separate interstate passenger service over portions of the same UPRR corridor. Amtrak's Coast Starlight service serves the Sacramento, Davis, Martinez, Emeryville, and Oakland Jack London, and San Jose/Diridon stations on its way between Seattle, Washington and Los Angeles, California. Amtrak's California Zephyr service serves the Emeryville, Martinez, Davis, Sacramento, and Roseville stations before continuing on to Chicago, Illinois. Amtrak provides connecting regional bus service to the stations it serves from other areas not served directly by Amtrak's Coast Starlight and California Zephyr routes, including from some rail stations only served by the Capitol Corridor service.

18. All of Amtrak's Coast Starlight trains stop at staffed stations along the portion of the corridor that they share with the Capitol Corridor route. Amtrak's California Zephyr stops at the unstaffed Roseville Station.

19. As part of its operating services, Amtrak performs Capitol Corridor's ticketing outlet functions via online, stations and in rare occasions on board the trains from conductors.

II. Ticket Sales and Customer Information Services

A. Pre-2006 System

20. Before October 2005, CCJPA did not have its own customer service telephone number. Instead, CCJPA utilized Amtrak's national customer service telephone number, including its automated service and live national call centers in Riverside, California and Philadelphia, Pennsylvania, to serve Capitol Corridor callers.

21. Through Amtrak's automated system, callers could purchase tickets and receive information on fares, schedules, prices and train statuses. For certain services, or at the caller's own request, the system forwarded callers to a live agent at one of Amtrak's reservation and information call centers.

22. In order to meet callers' needs, Amtrak agents at these call centers accessed Amtrak's computer reservation and scheduling system, which at the time included Capitol Corridor route information. While the Capitol Corridor trains are unreserved, Amtrak call center agents could also purchase tickets Capitol Corridor customers through this system, which was more a courtesy as this service was not necessary.

B. Reasons for Cancellation of Amtrak Call Center Support

23. Amtrak's telephone ticketing and information services raised a number of concerns for CCJPA management, including me.

24. First, Amtrak's airline-style, yield management reservation system, which adjusts ticket pricing in response to changes in capacity and time of purchase, was unnecessary for CCJPA because the Capitol Corridor Service uses fixed-price tickets and is an entirely

unreserved service. Furthermore, Amtrak's reservation system was excessive given the profile of Capitol Corridor passengers, who are frequent users typically starting and ending their trips within one day, and the basic nature of the Capitol Corridor service, which has unreserved seating and no checked baggage option.

25. Second, we had received customer complaints regarding Amtrak agents' lack of familiarity with specific promotions, local schedule changes, and other information particular to the Capitol Corridor service. In order to verify these complaints, we conducted a "secret shopper" initiative by calling Amtrak's number and requesting Capitol Corridor specific information. We found that Amtrak agents did not always correctly respond to callers' questions and did not always provide accurate information regarding specific promotions, even though they should have been familiar with this information.

26. Finally, we recognized the significant amount of money we were paying for Amtrak's telephone services relative to the number of customers that actually purchased tickets by telephone. For example, in 2006, Amtrak's live call center services would have cost CCJPA \$1.35 million, while relatively few passengers purchased tickets by telephone since the Capitol Corridor trains were unreserved and passengers did not need to purchase tickets in advance. We concluded that customers were using Amtrak's number primarily for informational purposes, and that an information-only telephone service would meet the needs of its customers.

27. Considering the factors above, CCJPA concluded that it could provide the necessary telephone information services more efficiently and cost-effectively through another party rather than Amtrak. After extensive research, CCJPA decided to transfer these call center support functions to BART, CCJPA's Managing Agency. With this transfer, we decided to drop the unnecessary function of general telephone ticket sales and move exclusively to online and

station ticketing. For online sales, we spear-headed a national effort for mobile phone ticketing systems that Amtrak eventually adopted and used to launch its own e-ticketing services. For station ticketing we engaged in an extensive program to purchase and install outdoor ticket vending machines that were manufactured by Amtrak (known as Quik-Trak machines) at all Capitol Corridor stations, including unstaffed locations.

28. Based on our consideration of Amtrak's call center services and the costs associated with those services, in 2005 and 2006 CCJPA eliminated ticketing services by telephone and transferred Capitol Corridor information call center operations from Amtrak to a call center operated by BART, a constituent agency member. Starting October 1, 2005, CCJPA introduced its own Capitol Corridor customer service telephone number, 1-877-9-RIDE-CC, and began providing information through BART's call center.

C. 2005 Agreement and Transfer of Call Center Services

29. CCJPA and Amtrak entered into an agreement dated December 21, 2005, a true and correct copy of which is attached as Exhibit 3, Attachment A, providing that Amtrak cease providing Capitol Corridor call center services. The 2005 Agreement provided specific terms regarding compensation to Amtrak for transition of services, including a one-time cost associated with reprogramming and establishing the call prompt and transfer system and ongoing operating costs associated with the transition.

30. The 2005 Agreement included a not-to-exceed limit of \$43,750 for establishing the call prompt and transfer system, and \$575,000 for all continuing operating and transition costs, including Amtrak live call center costs through the term of the FY2006 operating agreement, which terminated on September 30, 2006.

31. Under the call prompt and transfer system, callers calling Amtrak's automated telephone system directed callers calling from select Northern California area codes to CCJPA's telephone number when they selected Capitol Corridor as the service they were seeking. Upon selecting the Capitol Corridor route system, callers would be transferred to the Capitol Corridor number (1-877-9-RIDE-CC), which would be handled by BART's call center. CCJPA reimbursed Amtrak for costs associated with this reprogramming, as provided in the 2005 Agreement.

32. Pursuant to the 2005 Agreement and further negotiation between the parties, starting April 4, 2006, Amtrak agents ceased having access to Capitol Corridor information through Amtrak's computer system, and stopped handling Capitol Corridor calls. Amtrak call center agents were instructed to refer callers to the Capitol Corridor number, 1-877-9-RIDE-CC, for Capitol Corridor information. Similarly, BART call center agents handling calls regarding Amtrak routes other than the Capitol Corridor were instructed to refer such callers to Amtrak.

33. Over the months following the transition, CCJPA staff, including me, worked closely with Amtrak to ensure a successful transition of call center services. A joint CCJPA-Amtrak working group continued to meet after the transition date to smooth out issues resulting from the transition. Both CCJPA and Amtrak developed instructions and informational materials for their respective call centers explaining the transition and the new procedures for handling calls for services covered by the other call center.

34. CCJPA initially maintained Amtrak's automated telephone service as a source for Capitol Corridor route information. However, Amtrak no longer provides Capitol Corridor information over its automated telephone service.

35. Pursuant to the 2005 Agreement, CCJPA paid Amtrak \$43,750 for the call prompt and transfer system, and \$575,000 for ongoing costs associated with the transition. Until the present dispute, Amtrak never made any additional requests for compensation for the costs outlined in the 2005 Agreement, nor did it ever notify CCJPA such compensation as inadequate.

36. The transfer of call center services to BART resulted in lower operating costs to CCJPA. Because BART already operated its own call center, the overhead for providing additional services for CCJPA was less than the cost of Amtrak's services. Specifically, the transfer reduced the total CCJPA operating costs \$1.35 million in FY 2006, which was reinvested to support service expansions. By contrast, BART's call center services cost approximately \$400,000 in FY 2006. The call center transfer also allowed CCJPA to exercise more control over the quality of service provided to callers due to the closer organizational affiliation with BART.

D. Post-2006 System Including Amtrak's Current Practices

37. Today, CCJPA offers customer services through 1-877-9-RIDE-CC (1-877-974-3322), which connects callers to BART's call center. BART's call center agents provide callers with passenger information, including schedules, fares, train status, and trip-planning services.

38. BART's call center cannot sell tickets or make reservations. BART call center agents input customer service information into the same online portal that Capitol Corridor customers can use directly on the web, integrating the two methods of feedback. The result is more accurate collection and tracking of customer service requests and a streamlining of CCJPA's overall customer service.

39. Amtrak's national automated call system and reservation and information call center operation provides no services related to the Capitol Corridor and is completely separate

from BART's call center. Amtrak's call center agents cannot sell tickets for the Capitol Corridor route, nor do they have access through Amtrak's computer system to information regarding Capitol Corridor's fares, schedules, or promotions.

40. Amtrak continues to display its toll-free number on customer touchpoints throughout the Amtrak system on documents or materials accessed or seen by Capitol Corridor passengers (actual or potential), including on signs at stations only served by Capitol Corridor and on e-tickets, despite CCJPA having pointed out that this may cause additional confusion for customers.

III. PRIIA and the 209 Methodology

41. In addition to serving as CCJPA's managing director since 2009, I also participated in the State Working Group ("SWG"), which was formed by States affected by PRIIA Section 209. The SWG consisted of representatives from state transportation intercity passenger rail agencies located in five of the States: California, Maine, North Carolina, Virginia, and Wisconsin. It was created in order to represent the States' interests in negotiating a cost allocation methodology with Amtrak pursuant to the requirements of PRIIA Section 209. I served on behalf of CCJPA as California's representative to the SWG. As a result, I personally participated in negotiating the final cost allocation methodology ("Section 209 Methodology"), and have a thorough understanding of, and familiarity with, the Section 209 Methodology, a true and accurate copy of which is attached as Exhibit 4.

42. One of the SWG's primary objectives in negotiating the Section 209 Methodology was to increase cost clarity and accountability and to allow states to have more control over the costs and performance of Amtrak routes of 750 miles in length or less. With the responsibility for financial support for these Amtrak routes transferring from Amtrak to the

States, the States were requiring that the Section 209 Methodology provide the platform and framework for Amtrak to justify costs and, just as importantly, to allow states the ability to seek other vendors to provide services and functions that Amtrak was providing for these routes. This meant making the cost allocation system transparent and tying, as much as possible, costs directly to services provided.

43. A critical component for providing accountability in the Section 209 Methodology was its “menu of services” approach, which allowed states the flexibility to decide which route-specific services it desired from Amtrak, and which services it could obtain more efficiently elsewhere.

44. Amtrak agreed to emphasize direct, route-specific costs over shared costs, and its initial proposal provided for a “menu of services” approach to cost allocation. Amtrak’s initial proposal also included a provision allowing States to opt out of particular services that Amtrak provided. The language in Amtrak’s initial proposal was never the subject of any controversy in the negotiations, and the Section 209 Methodology, at pages 7-8, included identical language.

45. During the negotiation of the Section 209 Methodology, the SWG and Amtrak briefed staff for both the House Transportation and Infrastructure Committee and the Senate Commerce Committee in order to keep congressional members apprised of our progress.

IV. Current Controversy

A. Introduction of Call Center Costs in FY14 Budget

46. In early 2013, for the first time since 2005, Amtrak submitted call center costs totaling \$1.26 million as part of its FY14 Budget, which was based on the Section 209 Methodology.

47. Amtrak derived its FY14 Budget from its capital and operating expenditures for the Capitol Corridor route for Fiscal Year 2012 (“FY12”). For FY12, Amtrak calculated that \$1.2 million of its reservation and call centers costs were allocable to CCJPA. *See* Amtrak, FY12 Capitol Corridor Operating Workbook 14 (Mar. 7, 2013), a true and accurate copy of which is attached as Attachment D to Exhibit 3.

48. Amtrak calculated its FY12 expenditures on the estimated percentage share of total “talk time,” which is the time in seconds that a call center agent spent handling calls Amtrak attributed to a specific route. The categories of costs included under the FY14 Budget, including call center costs, is based on the Amtrak Performance Tracking (“APT”) system, which tracks over 1,600 unique “cost centers” throughout the Amtrak system. The call center “cost centers” allocated to CCJPA were: Western Reservation Sales Call Center, Mid Atlantic Reservation Sales Call Center, Senior Director of Applications – GIO Marketing, Senior Director for Reservation Sales Cost Center, Networks and Technology, and Senior Director for Program Delivery – GIO Marketing. Amtrak’s talk time estimates were based on a survey Amtrak contracted to have conducted on its call centers.

49. In order to support its conclusion regarding the allocation of call center costs, Amtrak met with CCJPA to review the talk time survey method and procedures on June 13, 2013, and held a conference call with CCJPA officials on June 28, 2013, to listen to sample recordings of surveyed calls selected by Amtrak. To follow up on the meeting, Amtrak supplied CCJPA with a memorandum explaining its call method for allocation of call center costs, *see* Memorandum from Amtrak to CCJPA Re: Amtrak Contact Centers & Section 209, Aug. 2, 2013 (“Aug. 2 Memo”), a true and accurate copy of which is attached as Exhibit 3.

50. Attached to the Aug. 2 Memo was a report of talk time data surveyed during the month of April, 2013, Talk Time Survey Report, a true and accurate copy of which is attached as Attachment C to Exhibit 3, as well as a survey key, *see* Amtrak Talk Time Survey – Key to Report, July 2013, Version 2 (“Talk Time Survey Key”), a true and accurate copy of which is attached as Attachment E to Exhibit 3. In addition, Amtrak subsequently sent CCJPA spreadsheets providing ridership data for CCJPA stations and station pairings. PKS, Amtrak Monthly Call Center Data Spreadsheet April 2013 – Station Pair Ridership for Capitol Corridor Route (“Station Pair Ridership Spreadsheet”) PKS, Amtrak Monthly Call Center Data Spreadsheet April 2013 – Station Origin Ridership for Capitol Corridor Route (“Station Origin Ridership Spreadsheet”). A summary of these spreadsheets is attached as Exhibit 5.

51. After receipt and review of Amtrak’s FY14 Budget, CCJPA notified Amtrak that it was not willing to pay for reservation and call center services, and the call center talk time data and information that Amtrak supplied to CCJPA in response to its request for additional information did not address CCJPA’s concerns. CCJPA indicated it was amenable to paying a much smaller amount for limited discrete telephone services directly attributable to the Capitol Corridor service, such as support for advance group travel, tickets for unaccompanied minors, and bookings involving travel partially on Capitol Corridor and partially on other Amtrak routes (collectively, “Special Services”). Amtrak estimated that the cost of providing the Special Services was approximately \$585,000. However, Amtrak refused to accept payment solely for the Special Services, insisting that CCJPA pay the much higher price of \$1.26 million for all so-called call center services.

52. In order to continue operation of the Capitol Corridor despite the dispute over call center costs, CCJPA and Amtrak executed the Operating Agreement, which excluded call center

costs. In an agreement attached to the Operating Agreement as Appendix XVI, CCJPA and Amtrak agreed to seek resolution of the call center cost dispute with the STB.

53. As with the reservation and call center subfamily of costs, CCJPA also opted out of the route advertising subfamily. For that category of costs, CCJPA and Amtrak can enter into discrete funding agreements where CCJPA can voluntarily contribute its discretionary marketing funds to joint marketing or advertising or related programs with Amtrak's marketing division in support of the Capitol Corridor service. Amtrak accepted this CCJPA decision to forego the route advertising "menu item". While the Operating Agreement allows CCJPA to elect to request that Amtrak provide route advertising pursuant to the Section 209 Methodology CCJPA is not required to do so. The FY14 Budget does not include any costs for route advertising.

B. CCJPA Position on FY14 Budget and Talk Time Survey

54. In reviewing Amtrak's FY14 Budget, CCJPA has concerns regarding both the charge for call center costs itself as well as the talk time percentages upon which these calls were based. First, as indicated by the 2005 Agreement, CCJPA opted out of Amtrak's call center services. PRIIA Section 209 and the Section 209 Methodology only reinforced CCJPA's ability to do so. Second, the data and survey information that Amtrak provided to CCJPA did not clearly delineate that these calls were solely and entirely related to the Capitol Corridor service. Thus, CCJPA's position is that these calls and the associated costs cannot be justified. Specifically, CCJPA disputes attributing such calls to the Capitol Corridor that could just as likely be, and in some cases actually were, in regard to Amtrak's services that operate along the Capitol Corridor route. Just as importantly, it is clear from Amtrak's data that in specific circumstances where a caller was seeking information on the Capitol Corridor service the Amtrak call center agents did not follow protocol and require the caller to hang up and call the

CCJPA/Capitol Corridor toll-free number. On the infrequent occasions that CCJPA/BART call center agents handle calls from callers seeking information for other Amtrak services, they are instructed to redirect these callers to the Amtrak toll free number in 30 seconds or less. From the data provided by Amtrak, Amtrak agents spent on average nearly 2 ½ minutes on calls attribute to Capitol Corridor, thereby increasing costs to Amtrak, which in turn is attempting to transfer such costs to CCJPA.

55. Amtrak states that it handles Capitol Corridor calls in part because of CCJPA's call center hours. CCJPA analysis has shown that calls to the CCJPA/BART call center are drastically reduced before 8 a.m. and after 9 p.m. This finding prompted CCJPA to adjust its operating hours accordingly, which has resulted in cost savings to CCJPA.

56. Additionally, CCJPA is concerned that Amtrak itself is creating confusion over its role in providing telephone services to Capitol Corridor customers. Despite repeated requests, Amtrak has posted its own telephone number on customer touchpoints throughout the Amtrak system where Capitol Corridor is mentioned, including at stations served only by Capitol Corridor.

57. CCJPA knows of other state agencies that opt out of other items from the Section 209 Methodology "menu of services". The Northern New England Passenger Rail Authority ("NNEPRA") contract its food service on the Downeaster service to a third party catering company. NNEPRA also works with this vendor, not Amtrak, on the development of menu, food preparation and oversight, budget and related costs, and customer interface regarding the on-board food services.

58. Amtrak's practices do not reflect the agreement that the parties came to in 2005, nor do they reflect CCJPA's decision to select a separate operator for its call center services as is

allowed under the Section 209 Methodology. CCJPA has been clear with Amtrak that it does not desire such services, other than those Special Services that Amtrak provides to CCJPA currently and for which CCJPA is willing to compensate Amtrak.

I declare (or certify, verify, or state) under penalty of perjury that the foregoing is true and correct. Executed on January 17, 2014.

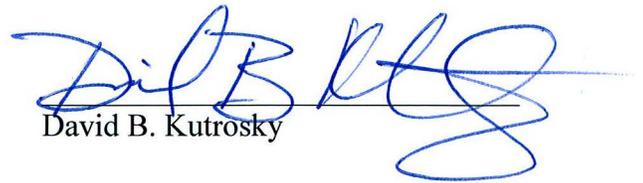

David B. Kutrosky

EXHIBIT 1

Effective JULY 15, 2013

CAPITOL CORRIDOR[®] SCHEDULE

AUBURN / SACRAMENTO

— and —

SAN FRANCISCO BAY AREA

— and —

SAN JOSE



SAN FRANCISCO - SAN JOSE

OAKLAND - EMERYVILLE

SACRAMENTO - ROSEVILLE

AUBURN - RENO

And intermediate stations



Capitol Corridor is a registered service mark of the Capitol Corridor Joint Powers Authority
NRPC Form W34-225M-7/15/13 Stock #02-3349

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Enjoy the journey.[®]



Train Number ▶	535	537	541	543	545	547	549	551
Will Not Operate ▶	9/2, 11/28, 11/29, 12/25, 1/1	9/2, 11/28, 11/29, 12/25, 1/1	9/2, 11/28, 11/29, 12/25, 1/1	9/2, 11/28, 11/29, 12/25, 1/1	9/2, 11/28, 11/29, 12/25, 1/1	9/2, 11/28, 11/29, 12/25, 1/1	9/2, 11/28, 11/29, 12/25, 1/1	9/2, 11/28, 11/29, 12/25, 1/1
On Board Service ▶								
	Mile	Symbol	▼					
Sparks, NV--The Nugget	0	○	Dp		7 40A			4 40P
Reno, NV	3	●			R8 00A			R5 00P
Truckee, CA	38	○			R8 40A			R5 40P
Colfax, CA	102	○			R10 00A			R7 00P
Auburn, CA (Grass Valley)	0	○			R10 30A		5 10P	R7 30P
Rocklin, CA	14	○			R10 45A			R7 45P
Roseville, CA	18	○			R11 00A			R8 00P
SACRAMENTO, CA	35	●	Ar		11 55A		6 15P	8 55P
			Dp		10 10A	12 10P	2 10P	3 35P
Davis, CA	49	●			10 25A	12 25P	2 25P	3 50P
Suisun-Fairfield, CA	75	○			10 49A	12 49P	2 49P	4 14P
Martinez, CA	93	●			11 10A	1 10P	3 10P	4 35P
Richmond, CA	112	○			11 35A	1 35P	3 35P	5 00P
Berkeley, CA	118	○	Dp		11 42A	1 42P	3 42P	5 07P
Emeryville, CA	120	●	Ar		11 48A	1 48P	3 48P	5 13P
			Dp		11 50A	1 50P	3 50P	5 15P
OAKLAND, CA	125	●	Ar		12 01P	2 01P	4 08P	5 26P
—Jack London Square			Dp		12 03P	2 03P		5 28P
Oakland Coliseum, CA ✈	130	○			12 12P	2 12P		5 40P
Hayward, CA	138	○			12 23P	2 23P		5 52P
Fremont-Centerville, CA	150	○			12 39P	2 39P		6 09P
Santa Clara, CA—Great America	161	○			12 56P	2 56P		6 27P
Santa Clara, CA—University Station	165	○			1 04P	3 04P		6 35P
SAN JOSE, CA	168	●	Ar		1 18P	3 18P		6 48P
☞ Santa Barbara—see page 5								8 58P
								11 55P

Symbols Key

- A** Time Symbol for A.M.
- P** Time Symbol for P.M.
- D** Stops only to discharge passengers; train may leave before time shown.
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- M** Meal stop when schedule allows.
- Bus stop
- Quik-Trak self-service ticketing kiosk
- Unstaffed station
- Staffed ticket office; may or may not be open for all train departures
- Ⓞ California Station Hosts; see page 7.
- ♿ Station wheelchair accessible; no barriers between station and train
- ♿ Station wheelchair accessible; not all station facilities accessible

Thruway Bus Connections to San Francisco

Emeryville, CA	0	●	○	Dp	81	11 50A	81	1 50P	81	3 50P	81	5 15P	81	6 20P	81	7 20P	81	8 50P	81	10 50P	
San Francisco, CA																					
—Financial Dist., Hyatt Regency	9	○		Ar		D12 20P	D2 20P	D4 15P	D5 45P	D6 45P	D7 45P	D9 15P	D11 15P								
—Ferry Bldg., Amtrak Station	9	●				D12 25P	D2 25P	D4 20P	D5 50P	D6 45P	D7 50P	D9 20P	D11 20P								
—Fisherman's Wharf, Pier 39	10	○				D12 40P	D2 40P	D4 35P	D6 05P	D6 55P	D8 00P	D9 30P	D11 30P								
—SF Shopping Ctr., 835 Mkt. St.	11	○				D12 55P	D2 55P	D4 55P	D6 20P	D6 55P	D8 10P	D9 40P	D11 40P								
—Civic Center, 1150 Market St.	10	○																			
—Moscone Ctr., 747 Howard St.	10	○				D1 00P	D3 00P														
—Caltrain Sta., 4th & King Sts.	11	○		Ar		1 05P	3 05P	5 05P	6 30P	7 05P	8 20P	9 50P	11 50P								

NOTE—No reservations are necessary for travel on the Capitol Corridor.

Thruway Bus Connections

Lake Tahoe • Sacramento

547/747	Connecting Train Number				524/720
3447	Thruway Number				3424
Daily	Days of Operation	Symbol	▲	Daily	
2 20P	Dp	Stateline, NV—Kingsbury Transit Ctr.	○	Ar	12 50P
2 25P	↓	Stateline, CA—Transit Center	○	↑	D12 45P
2 35P	↓	S. Lake Tahoe, CA—Transit Center	○	↑	D12 35P
3 55P	↓	Placerville, CA—Transit Center	○	↑	11 15A
5 25P	Ar	Sacramento, CA—Amtrak Station	●	Dp	10 15A

NOTE—Due to an exemption to state law, passengers may travel locally between Lake Tahoe, Placerville or Sacramento without the requirement to buy a train ticket. Passengers traveling to/from Sacramento will be ticketed at Sacramento. All standard discounts are available. Adult passengers between Lake Tahoe and Placerville may buy a ticket from the driver for \$20.00 cash fare each way. Children are half price and no other discounts apply.

Connections to local transit with Amtrak Capitol Corridor Transit Transfer Ticket (ask Amtrak conductor for a free two-part transfer slip)

- Ride free on East Bay AC Transit buses, Contra Costa County Connection, Sacramento RT light rail and/or bus, Benicia Breeze, e-Tran, Rio Vista Delta Breeze, WestCAT, YoloBus, UC Davis Unitrans, Santa Clara VTA light rail and buses, and Fairfield/Suisun Transit. Transfer also available on Amtrak San Joaquin trains. Passengers can ask for up to two transfers for their round-trip transportation to/from the train. Transfer is good through the following day.
- Use BART 20% discount ticket (\$10 value ticket only \$8), available in the Cafe car, to ride BART service from the Richmond Intermodal Station or Oakland Coliseum Station to San Francisco International Airport and other destinations in the SF Bay Area.

For complete information, visit capitolcorridor.org or call 1-877-9-RIDECC or (877) 974-3322.

www.capitolcorridor.org

1-877-9-RIDECC (877) 974-3322
TDD: (510) 839-2220

Transit Information Center hours of operation
6:00 a.m. - 11:00 p.m. daily

The Capitol Corridor serves 17 stations along the 170-mile rail corridor connecting the Sacramento area, the San Francisco Bay Area, and San Jose. The Capitol Corridor Joint Powers Authority partners with Amtrak, the Union Pacific Railroad, Caltrans, and the communities comprising the CCJPA to continue development of a cost-effective, viable, and safe intercity passenger rail service.



Train Number ▶			534	536	538	540	542	544	546	548			
Will Not Operate ▶			9/2, 11/28, 11/29, 12/25, 1/1										
On Board Service ▶													
	Mile	Symbol											
SAN JOSE, CA	0	●●○QT				3 10P				5 50P	7 15P		
☞ Santa Barbara—see below													
Santa Clara, CA—University Station	3	○				3 16P	4 26P	5 56P	7 21P				
Santa Clara, CA—Great America	7	○●QT				3 24P	4 34P	6 04P	7 29P				
Fremont—Centerville, CA	18	○●○QT				3 43P	4 51P	6 21P	7 46P				
Hayward, CA	30	○●○QT				3 59P	5 06P	6 36P	8 01P				
Oakland Coliseum, CA ✈	38	○●○QT				4 09P	5 16P	6 46P	8 11P				
OAKLAND, CA	43	●●○QT				4 18P	5 23P	6 53P	8 18P				
—Jack London Square													
Emeryville, CA	49	●●○QT	Ar			2 50P	3 30P	4 20P	4 50P	5 30P	6 55P	8 20P	9 25P
			Dp			2 58P	3 38P	4 28P	4 58P	5 38P	7 03P	8 28P	9 33P
			Ar			3 00P	3 40P	4 30P	5 00P	5 45P	7 05P	8 30P	9 45P
Berkeley, CA	50	○●○QT	Ar			3 04P	3 44P	4 34P	5 04P	5 49P	7 09P	8 34P	9 49P
Richmond, CA	56	○●○QT	Dp			3 12P	3 52P	4 42P	5 12P	5 57P	7 17P	8 42P	9 57P
Martinez, CA	76	●●○QT	Ar			3 39P	4 19P	5 09P	5 39P	6 24P	7 44P	9 09P	10 24P
Suisun-Fairfield, CA	93	○●○QT	Ar			3 58P	4 38P	5 28P	5 58P	6 43P	8 03P	9 27P	10 43P
Davis, CA	119	●●○QT	Ar			4 22P	5 02P	5 52P	6 22P	7 07P	8 27P	9 52P	11 07P
SACRAMENTO, CA	133	●●○QT	Ar			4 48P	5 22P	6 23P	6 48P	7 38P	8 58P	10 28P	11 33P
			Dp				5 25P		8 7 00P	8 7 50P	9 10P		
Roseville, CA	150	○●○QT	Ar				5 48P		D7 30P	D8 20P	D9 40P		
Rocklin, CA	155	○●○QT	Ar				5 56P		D7 45P	D8 35P	D9 55P		
Auburn, CA (Grass Valley)	168	○●○QT	Ar				6 30P		8 00P	8 50P	10 10P		
Colfax, CA	18	○●○QT	Ar										
Truckee, CA	82	○●○QT	Ar										
Reno, NV	117	●●○QT	Ar										
Sparks, NV—The Nugget	120	○●	Ar										

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- Unstaffed station
- Staffed ticket office; may or may not be open for all train departures
- Ⓢ California Station Hosts; see page 7.
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- ♿ Station wheelchair accessible; not all station facilities accessible

Thruway Bus Connections from San Francisco

San Francisco, CA			1 35P	2 30P	3 10P	3 50P	4 25P	5 55P	7 30P	8 25P	
—Caltrain Sta., 4th & King Sts.	0	○●○QT		R2 35P	R3 15P	R3 55P	R4 30P	R6 00P	R7 35P		
—Moscone Center, 747 Howard St.	1	○●○QT		2 45P	3 25P	4 05P	4 40P				
—Civic Center, 1150 Market St.	1	○●○QT									
—SF Shopping Ctr., 835 Mkt. St.	0	○●○QT	R1 45P	R2 50P	R3 30P	R4 10P	R4 45P	R6 05P	R7 40P	R8 35P	
—Fisherman's Wharf, Pier 39	1	○●○QT	R2 00P	R2 40P	R3 20P	R4 00P	R4 35P	R5 55P	R7 40P	R8 50P	
—Ferry Bldg., Amtrak Station	2	●●○QT	R2 00P	R3 00P	R3 40P	R4 20P	R4 55P	R6 15P	R7 55P	R9 05P	
—Financial Dist., Hyatt Regency	2	○●○QT		R3 00P	R3 40P	R4 20P	R5 00P	R6 15P	R7 55P		
Emeryville, CA	11	●●○QT	Ar	2 50P	3 30P	4 10P	4 50P	5 35P	6 50P	8 20P	9 35P

NOTE—No reservations are necessary for travel on the Capitol Corridor.

Thruway Bus Connections

Oakland • San Jose • San Luis Obispo • Santa Barbara

523/723	527/727	537/737	749/551	Connecting Train Number				532/734	544/744	546/748	522/720
4790	4796	6237	4768	Thruway Number				6234	4761	4763	4785
Daily	Daily	Daily	Daily	Mile	Days of Operation	Symbol	Daily	Daily	Daily	Daily	
7 10A	9 55A		10 00P	0	Dp	○●○QT					
67 9 05A	67 11 35A	67 3 25P	11 59P	42	Ar	●●○QT	67 12 10P	67 5 05P	67 6 15P	67 6 05A	
		D4 05P		75		○●				4 20A	
10 10A	12 40P	4 40P	1 15A	104		○●	10 25A	3 50P	5 00P	3 05A	
M11 15A	M1 40P	M5 35P	M2 10A	151		○●		M2 50P	M4 00P	M2 05A	
12 15P	2 40P	D6 20P	3 10A	203		○●	8 55A	1 40P	2 50P	12 55A	
12 50P	3 15P	D6 55P	3 40A	231		○●	8 15A	1 15P	2 20P	12 30A	
59 1 10P	3 40P	7 10P	3 50A	233		●●○QT	8 10A	59 1 05P	2 10P	12 20A	
80 1 55P	4 10P	7 30P	4 15A	248		○●○QT	7 45A	12 35P	1 40P	11 50P	
	4 35P	D7 55P	4 40A	266		○●	7 20A		1 15P	11 25P	
	5 15P	D8 40P	5 20A	301		○●			12 35P	10 45P	
	5 05P	D8 30P	5 10A	298		○●			12 30P	10 40P	
80 4 09P	6 40P	9 30P	6 30A	348	Ar	●●	6 00A	10 22A	11 45A	9 55P	

- M** Meal stop when schedule allows.
- 59** Guaranteed connection from train to bus/bus to train at San Luis Obispo.
- 67** Guaranteed connection between train and bus at San Jose or Emeryville as indicated.
- 80** Train 1790 operates 20 minutes later Saturdays, Sundays and Holidays.

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Shading Key

Unreserved service
Thruway and connecting services

See back page for Route Map and Connecting Local Services.

Train Number ▶	723	727	729	733	737	741	743	745	747	749	751				
Will Also Operate ▶	9/2, 11/28, 11/29, 12/25, 1/1	9/2, 11/28, 11/29, 12/25, 1/1	9/2, 11/28, 11/29, 12/25, 1/1	9/2, 11/28, 11/29, 12/25, 1/1	9/2, 11/28, 11/29, 12/25, 1/1	9/2, 11/28, 11/29, 12/25, 1/1	9/2, 11/28, 11/29, 12/25, 1/1	9/2, 11/28, 11/29, 12/25, 1/1	9/2, 11/28, 11/29, 12/25, 1/1	9/2, 11/28, 11/29, 12/25, 1/1	9/2, 11/28, 11/29, 12/25, 1/1				
On Board Service ▶	☕	☕	☕	☕	☕	☕	☕	☕	☕	☕	☕				
	Mile	Symbol	▼												
Sparks, NV—The Nugget	0	○	Ar												
Reno, NV	3	●	Ar				7 40A				4 40P				
Truckee, CA	38	○	Ar				R8 00A		11 05A		R5 00P				
Colfax, CA	102	○	Ar				R8 40A		R12 25P		R5 40P				
Auburn, CA (Grass Valley)	0	○	Ar		8 05A		R10 00A		R1 25P		R7 00P				
Rocklin, CA	14	○	Ar		8 28A		R10 30A		R1 55P		R7 30P				
Roseville, CA	18	○	Ar		8 37A		R10 45A		R2 10P		R7 45P				
SACRAMENTO, CA	35	●	Ar		5 25A 6 05A	8 37A 9 07A	R11 00A 11 55A		R2 25P 3 20P		R8 00P 8 55P				
Davis, CA	49	●	Ar		5 40A 5 55A	7 40A 7 55A	9 10A 9 25A	10 40A 10 55A	12 10P 12 25P	2 15P 2 30P	3 35P 3 50P	4 40P 4 55P	5 40P 5 55P	7 10P 7 25P	9 10P 9 25P
Suisun-Fairfield, CA	75	○	Ar		6 19A	8 19A	9 49A	11 19A	12 49P	2 54P	4 14P	5 19P	6 19P	7 49P	9 49P
Martinez, CA	93	●	Ar		6 40A	8 40A	10 10A	11 40A	1 10P	3 15P	4 35P	5 40P	6 40P	8 10P	10 10P
Richmond, CA	112	○	Ar		7 05A	9 05A	10 35A	12 05P	1 35P	3 40P	5 00P	6 05P	7 05P	8 35P	10 35P
Berkeley, CA	118	○	Ar		7 12A	9 12A	10 42A	12 12P	1 42P	3 47P	5 07P	6 12P	7 12P	8 42P	10 42P
Emeryville, CA	120	●	Ar		7 18A 7 20A	9 18A 9 20A	10 48A 10 50A	12 18P 12 20P	1 48P 1 50P	3 53P 3 55P	5 13P 5 15P	6 18P 6 20P	7 18P 7 20P	8 48P 8 50P	10 48P 10 50P
OAKLAND, CA —Jack London Square	125	●	Ar		7 31A 7 33A	9 31A 9 33A	D11 08A	12 31P 12 33P	2 01P 2 03P	4 06P 4 08P	5 26P 5 28P	6 38P	7 31P 7 33P	9 08P 10 00P	11 08P
Oakland Coliseum, CA	130	○	Ar		7 42A	9 42A	11 15A	12 42P	2 12P	4 17P	5 40P		7 42P		
Hayward, CA	138	○	Ar		7 53A	9 53A		12 53P	2 23P	4 28P	5 52P		7 53P		
Fremont-Centerville, CA	150	○	Ar		8 09A	10 09A		1 09P	2 39P	4 44P	6 07P		8 09P		
Santa Clara, CA—Great America	161	○	Ar		8 26A	10 26A		1 26P	2 56P	5 01P	6 27P		8 26P		
Santa Clara, CA—University Station	165	○	Ar		8 34A	10 34A		1 34P	3 04P	5 09P	6 35P		8 34P		
SAN JOSE, CA ☞ Santa Barbara—see page 5	168	●	Ar		8 48A	10 48A		1 48P	3 18P	5 23P	6 48P		8 48P		11 59P

Thruway Bus Connections to San Francisco

Emeryville, CA	0	●	Ar	Ar	7 20A	9 20A	10 50A	12 20P	1 50P	3 55P	5 15P	6 20P	7 20P	8 50P	10 50P
San Francisco, CA	9	○	Ar		D7 50A	D9 50A	D11 15A	D12 50P	D2 20P	D4 20P	D5 45P	D6 45P	D7 45P	D9 15P	D11 15P
—Financial Dist., Hyatt Regency	9	○	Ar		D7 55A	D9 50A	D11 15A	D12 55P	D2 25P	D4 25P	D5 50P	D6 45P	D7 50P	D9 20P	D11 20P
—Ferry Bldg., Amtrak Station	10	○	Ar		D8 10A	D10 00A	D11 25A	D1 10P	D2 40P	D4 40P	D6 05P	D6 55P	D8 00P	D9 30P	D11 30P
—Fisherman’s Wharf, Pier 39	11	○	Ar		D8 25A	D10 00A	D11 25A	D1 25P	D2 55P	D5 00P	D6 20P	D6 55P	D8 10P	D9 40P	D11 40P
—SF Shopping Ctr., 835 Mkt. St.	10	○	Ar												
—Civic Center, 1150 Market St.	10	○	Ar												
—Moscone Ctr., 747 Howard St.	10	○	Ar												
—Caltrain Sta., 4th & King Sts.	11	○	Ar		8 35A	D10 05A 10 10A	D11 30A 11 35A	D1 30P 1 35P	D3 00P 3 05P	5 10P	6 30P	7 05P	8 20P	9 50P	11 50P

NOTE—No reservations are necessary for travel on the Capitol Corridor.

Service on the Capitol Corridor®

- ☐ Coaches: Unreserved.
- ☑ Café: Sandwiches, snacks and beverages.
- ☑ Wi-Fi available.
- ☑ Transfer point to/from the Coast Starlight—please refer to our corresponding wallet timetable (P11).
- ☑ BART rapid transit connection available for San Francisco and East Bay points. Transfer to BART at Richmond or Oakland Coliseum stations.
- ☑ Connect from Train 749 to bus at Emeryville.
- ☑ Bus departs two minutes after actual arrival of train.

Smoking is prohibited.

Bicycles: All trains on the Capitol Corridor are equipped with a limited number of bike racks—passengers may bring bicycles as unboxed carry-on baggage. Available first-come, first-served—no reservations or service charge. Unboxed bicycles may be put in the bin under connecting Thruway buses. Amtrak disclaims liability for loss or damage.

*Restrictions apply. Visit capitolcorridor.org for complete offer details. Fares, routes and schedules subject to change without notice. Capitol Corridor is a registered service mark of the Capitol Corridor Joint Powers Authority.

Symbols Key

- A** Time Symbol for A.M.
- P** Time Symbol for P.M.
- D** Stops only to discharge passengers; train may leave before time shown.
- R** Stops only to receive passengers.
- ☐ Bus stop
- ☑ Quik-Trak self-serve ticketing kiosk
- Unstaffed station
- Staffed ticket office; may or may not be open for all train departures.
- ☑ California Station Hosts; see page 7.
- ♿ Station wheelchair accessible; no barriers between station and train.
- ☑ Station wheelchair accessible; not all station facilities accessible.

See back page for Route Map and Connecting Local Services.

Train Number ▶			720	724	728	732	734	736	738	742	744	746	748
Will Also Operate ▶			9/2, 11/28, 11/29, 12/25, 1/1										
On Board Service ▶													
	Mile	Symbol											
SAN JOSE, CA	0	●○●○	Dp										
☞ Santa Barbara—see page 5													
Santa Clara, CA—University Station	3	○		7 50A	9 50A			12 50P	2 20P		4 25P	5 50P	7 50P
Santa Clara, CA—Great America	7	○●○		8 04A	10 04A			1 04P	2 34P		4 39P	5 56P	8 04P
Fremont—Centerville, CA	18	○●○		8 21A	10 21A			1 21P	2 51P		4 56P	6 21P	8 21P
Hayward, CA	30	○●○		8 36A	10 36A			1 36P	3 06P		5 11P	6 36P	8 36P
Oakland Coliseum, CA ✈	38	○●○		8 46A	10 46A			1 46P	3 16P		5 21P	6 46P	8 46P
OAKLAND, CA	43	●○●○	Ar	8 53A	10 53A			1 53P	3 23P		5 28P	6 53P	8 53P
—Jack London Square			Dp	7 20A	8 55A	10 55A	12 25P	1 55P	3 25P	4 25P	5 30P	6 55P	7 55P
Emeryville, CA	49	●○●○	Ar	7 28A	9 03A	11 03A	12 33P	2 03P	3 33P	4 33P	5 38P	7 03P	8 03P
			Dp	7 30A	9 05A	11 05A	12 35P	2 05P	3 35P	4 35P	5 40P	7 05P	8 05P
Berkeley, CA	50	○●○	Ar	7 34A	9 09A	11 09A	12 39P	2 09P	3 39P	4 39P	5 44P	7 09P	8 09P
Richmond, CA	56	○●○	Dp	7 42A	9 17A	11 17A	12 47P	2 17P	3 47P	4 47P	5 52P	7 17P	8 17P
Martinez, CA	76	●○●○		8 09A	9 44A	11 44A	1 14P	2 44P	4 14P	5 14P	6 19P	7 44P	8 44P
Suisun-Fairfield, CA	93	○●○		8 28A	10 03A	12 03P	1 33P	3 03P	4 33P	5 33P	6 38P	8 03P	9 03P
Davis, CA	119	●○●○		8 52A	10 27A	12 27P	1 57P	3 27P	4 57P	5 57P	7 02P	8 27P	9 27P
SACRAMENTO, CA	133	●○●○	Ar	9 18A	10 58A	12 58P	2 23P	3 58P	5 26P	6 23P	7 22P	8 58P	9 53P
			Dp	10 15A		1 10P		4 10P			7 25P		
Roseville, CA	150	○●○		D10 45A		D1 40P		D4 40P			7 48P		
Rocklin, CA	155	○●○		D11 00A		D1 55P		D4 55P			7 56P		
Auburn, CA (Grass Valley)	168	○●○		D11 25A		D2 10P		D5 20P			8 33P		
Colfax, CA	18	○●○		D11 40A		D2 25P		D5 35P					
Truckee, CA	82	○●○		D1 00P		D3 45P		D6 55P					
Reno, NV	117	●○●○		D1 40P		D4 25P		D7 35P					
Sparks, NV—The Nugget	120	○●○	Ar	2 00P		4 45P		7 55P					

Thruway Bus Connections from San Francisco

San Francisco, CA	0	○●○ <th>Dp</th> <th>6 40A</th> <th>8 05A</th> <th>9 45A</th> <th>11 15A</th> <th>12 45P</th> <th>2 35P</th> <th>3 35P</th> <th>4 25P</th> <th>5 55P</th> <th>6 45P</th> <th>7 45P</th>	Dp	6 40A	8 05A	9 45A	11 15A	12 45P	2 35P	3 35P	4 25P	5 55P	6 45P	7 45P
—Caltrain Sta., 4th & King Sts.	1	○●○							R2 40P	R3 40P	R4 30P	R6 00P	R6 50P	R7 50P
—Moscone Ctr., 747 Howard St.	1	○●○									R4 40P			
—Civic Center, 1150 Market St.	0	○●○		R6 50A	R8 15A	R9 55A	R11 25A	R12 55P	R2 45P	R3 45P	R4 45P	R6 05P	R6 55P	R7 55P
—SF Shopping Ctr., 835 Mkt. St.	1	○●○		R6 45A	R8 10A	R10 10A	R11 40A	R1 10P	R2 35P	R3 35P	R4 35P	R5 55P	R7 10P	R8 10P
—Fisherman's Wharf, Pier 39	2	●○●○		R7 00A	R8 25A	R10 25A	R11 55A	R1 25P	R2 55P	R3 55P	R4 55P	R6 15P	R7 25P	R8 25P
—Ferry Bldg., Amtrak Station	2	○●○		R7 00A	R8 25A				R2 55P	R3 55P	R5 00P	R6 15P		
—Financial Dist., Hyatt Regency	11	●○●○	Ar	7 25A	8 55A	10 55A	12 25P	1 55P	3 25P	4 25P	5 35P	6 50P	7 55P	8 55P

NOTE—No reservations are necessary for travel on the Capitol Corridor.



EXPERIENCE A JOURNEY THAT'S AS EXCITING AS THE DESTINATION.

On your next trip to San Francisco, leave the traffic behind and take the road less frazzled. On Amtrak®, you'll arrive relaxed and ready to enjoy your visit. Take in the famous sights such as Fisherman's Wharf and the Aquarium of the Bay, enjoy a great meal or lose yourself in the spectacular scenery. If you're planning an extended stay, the Radisson® Fisherman's Wharf offers an exclusive Amtrak rate (call 1-877-497-1212 for details).



Amtrak and Enjoy the journey are service marks of the National Railroad Passenger Corporation.



CALIFORNIA STATION HOSTS

On duty in staffed stations!

The California Station Host Association is a volunteer organization that assists rail passengers, meeting and greeting them at eleven California stations, and helping them with schedules, boarding, and general inquiries. For more information, visit www.stationhost.org or call (925) 457-9018.

Shading Key

Unreserved service
Thruway and connecting services

www.capitolcorridor.org

1-877-9-RIDECC (877) 974-3322 TDD: (510) 839-2220
Transit Information Center hours of operation: 6:00 a.m. - 11:00 p.m. daily

The Capitol Corridor serves 17 stations along the 170-mile rail corridor connecting the Sacramento area, the San Francisco Bay Area, and San Jose. The Capitol Corridor Joint Powers Authority partners with Amtrak, the Union Pacific Railroad, Caltrans, and the communities comprising the CCJPA to continue development of a cost-effective, viable, and safe intercity passenger rail service.



CAPITOL CORRIDOR



The Capitol Corridor serves 17 stations along the 170-mile rail corridor connecting the Sacramento area, the San Francisco Bay Area and San Jose. An extensive, dedicated network of bus connections provides transportation to destinations beyond the train stations. Together, this system serves the second largest urban area in the western United States.

Heading to work or taking a weekend getaway? Either way, you'll arrive refreshed and ready. The Capitol Corridor Joint Powers Authority partners with Amtrak, Union Pacific Railroad, Caltrans and the communities comprising the CCJPA to provide travelers a cost-effective, viable and safe intercity passenger rail service—a hassle-free, hands-free, traffic-free way to explore Northern California!

We look forward to seeing you onboard!

Quiet Car

The **Quiet Car** is available on trains 521, 523, 525, 520, 522. Please, no cell phone use, game devices or loud conversation in the designated car.

Stay Informed!
 sign up for Capitol Corridor E-Updates to get email or text message service alerts.
 Visit our website—capitolcorridor.org

Capitol Corridor Connecting Local Services

San Francisco Bay Area

Bay Area Rapid Transit (BART) connects San Francisco, San Francisco International Airport, and the East Bay. Direct Capitol Corridor connections are available at the Richmond and Oakland Coliseum stations, and Emery Go-Round provides a free shuttle between the Emeryville Amtrak station and the BART MacArthur station: (415) 989-2278 or bart.gov.

San Francisco Municipal Railway (MUNI) streetcar, cable car and bus service in San Francisco: (415) 673-6864; sfmuni.com

Alameda-Contra Costa Transit District (AC Transit) bus service in the East Bay including bus service from Emeryville Amtrak to MacArthur BART Station in Alameda-Contra Transit District: (510) 817-1717; actransit.org

Sacramento

Regional Transit light rail and bus: (916) 321-2877; sacrt.com

Suisun-Fairfield

Rio Vista Delta Breeze
 (707) 374-2878 or visit www.rio-vista-ca.com/transit

Suisun-Fairfield Transit System provides local transit service in the Solano County cities of Vacaville, Davis, Sacramento and Pleasant Hill: (707) 422-2877 or visit www.fasttransit.org

eTran Regional transit for Elk Grove: (916) 683-8726 or visit www.e-tran.org

San Jose

Caltrain commuter rail service between San Francisco and Amtrak's San Jose station with stops at San Mateo, Palo Alto and other intermediate peninsula cities. Peak hour service also operated between San Jose, Morgan Hill and Gilroy: (510) 817-1717 or, in Northern California: (800) 660-4287; caltrain.com

Santa Clara Valley Transit light rail and bus: (408) 321-2300 or 1-800-894-9908 within California; www.vta.org

Altamont Corridor Express (ACE) commuter rail service between San Jose, Pleasanton and Stockton: (800) 411-RAIL; acerail.com

TRAVEL TIPS

- Buy tickets in advance and arrive early at stations as parking is often limited.
- Have a valid government-issued photo ID card with you when purchasing tickets and available at all times when riding the train.
- Riders are limited to two pieces of carry-on baggage. Each bag must weigh less than 50 lbs. and be tagged with your name and address.
- One Ticket, One Seat – please stow your belongings in the overhead storage bin and keep seats beside you clear for other passengers.
- Be Safe - Watch your step when boarding and exiting the train, and stay behind the yellow line on the platform.
- Please be considerate – keep your shoes off the seats.

EXHIBIT 2

NATIONAL RAILROAD PASSENGER CORPORATION
and
CAPITOL CORRIDOR JOINT POWERS AUTHORITY

AGREEMENT FOR THE PROVISION OF
RAIL PASSENGER SERVICE

THIS AGREEMENT made as of the first day of October 2013, by and between the National Railroad Passenger Corporation, a corporation organized under the Rail Passenger Service Act (recodified at 49 U.S.C. § 24101 *et seq.*) and the laws of the District of Columbia and having its principal office and place of business in Washington, D.C. (hereinafter referred to as “Amtrak”), and the Capitol Corridor Joint Powers Authority, a joint powers authority established under the laws of the State of California (hereinafter referred to as “CCJPA”).

WHEREAS, this Agreement complies with the provisions of California law (S.B. 457, A.B. 1720 and S.B. 47) which authorize the State of California (hereinafter referred to as the “State”) to enter into agreements with specified joint exercise of powers entities, pursuant to which CCJPA assumed responsibility for intercity passenger rail service within the Capitol Corridor; and

WHEREAS, this Agreement implements portions of the assignment and assumption of such responsibilities to CCJPA with respect to the Capitol Corridor and applies only to operations within the Capitol Corridor, except as otherwise expressly provided herein; and

WHEREAS, CCJPA has requested that Amtrak provide rail passenger service in the Capitol Corridor for the benefit of persons traveling to, from and within the State; and CCJPA has provided Amtrak adequate assurances as to CCJPA’s resources to reimburse Amtrak for certain portions of the associated operating losses (expenses not covered by revenue) of such service levels, as more specifically defined herein; and

WHEREAS, CCJPA is authorized by applicable State law to enter into this Agreement with Amtrak on the terms and conditions hereinafter set forth and funds for this purpose have been made available by CCJPA as set forth herein; and

WHEREAS, the parties wish to provide for certain described daily bus service to connect with the aforesaid rail passenger service, the cost of which will be borne by CCJPA; and

WHEREAS, CCJPA and Amtrak are committed to providing a safe, high-quality service at a reasonable cost, and are aggressively pursuing ongoing cost reduction strategies which are providing savings to be applied to enhanced service; and

WHEREAS, CCJPA and Amtrak believe that closer coordination with regional and local governments will help improve the Capitol Corridor service, and are eager to work with state, regional and local governments and agencies to concentrate on further improving the Capitol Corridor service and ensuring that the service becomes an efficient part of the region's transportation network.

WHEREAS, under Section 209 of the Passenger Rail Investment and Improvement Act of 2008, Pub. L. No. 110-432, 122 Stat. 4848 ("PRIIA"), Congress required, among other things, that Amtrak, in consultation with the relevant states and the District of Columbia, develop and implement a methodology for allocating the operating and capital costs of rail routes of not more than 750 miles outside the segment of the continuous Northeast Corridor railroad line between Boston, Massachusetts and Washington, District of Columbia among the relevant states and the District of Columbia, and Amtrak.

WHEREAS, Amtrak developed such a methodology in consultation with a group of states, but was unable to achieve the necessary concurrence on the methodology from all relevant states and the District of Columbia as required by PRIIA. Accordingly, on November 21, 2011, Amtrak petitioned the Surface Transportation Board (the "STB") to adopt Amtrak's proposed methodology.

WHEREAS, in a decision effective April 14, 2012, the STB adopted Amtrak's proposed methodology to meet the requirements of PRIIA (the "Agreed 209 Methodology"), which decision is attached hereto and incorporated herein as Appendix XI.

WHEREAS, the Capitol Corridor Service trains operating between San Jose, CA and Auburn, CA, ("Service"), are subject to the Agreed 209 Methodology.

WHEREAS, the parties wish to provide for certain described daily bus service between statewide points to connect with the aforesaid rail passenger service, the cost of which will be borne by the State subject to the Agreed 209 Methodology.

NOW THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

SECTION 1 – SERVICE TO BE PROVIDED

- (a) Amtrak shall provide rail passenger service over the route(s) set forth in Appendix I hereto and substantially in accordance with the schedules prescribed therein. Amtrak shall not be required to increase the frequency of any of the schedules

except pursuant to a mutually agreed and amended Appendix I made pursuant to Section 10 hereof.

- (b) Amtrak shall not be required to provide rail passenger service on any route additional to the route(s) set forth in Appendix I hereto except pursuant to a mutually agreed and duly executed and supplemental Appendix I. Each such supplemental Appendix I shall be supported by a market analysis conducted by CCJPA and acceptable to Amtrak. The parties agree to collaborate and to develop promptly a mutually agreed upon type and form of market analysis; provided, however, that such type and form may, in the light of future experience, be modified from time to time by mutual agreement between the parties. Amtrak will not unreasonably delay the consideration of CCJPA marketing studies.
- (c) CCJPA and Amtrak may, from time to time, identify extra work consisting of (1) new, additional, or modified services requiring Amtrak's expenditure of unanticipated costs resulting from changes in the requirements set forth in this Agreement, including the Appendices; (2) new, additional, or modified services required to support and facilitate third party projects approved by CCJPA; and (3) projects of limited duration for which the services are not included in the Appendices (collectively, "Extra Work"). Extra Work shall not include tasks performed by Amtrak at the request of CCJPA that do not require Amtrak to expend direct costs in excess of those it would incur in the absence of such tasks. The burden of proof to demonstrate to CCJPA that these conditions exist rests entirely with Amtrak.

Prior to undertaking any Extra Work, CCJPA and Amtrak will communicate on the proposed scope of work and agree upon the estimated cost in accordance with Subsection (c) of Section 3 hereof.

- (d) Amtrak shall diligently work to provide rail passenger service of high quality and the parties shall cooperate in efforts to improve the service, as may be appropriate. Unless expressly and mutually agreed in writing between the parties, the service shall be at least equal in quality and consistent in type to that of Amtrak's basic system services. Amtrak and the CCJPA shall jointly approve decisions impacting such things as menu items and prices, level of on-board amenities, fares, on-board operating policies (including procedures for disabled access, train crew procedures and stationing, and checked baggage service), and reservations requirements. Both parties agree that in order to provide a consistent level of service across all Amtrak services, that tariff policies (including age or membership restrictions to qualify for passenger-type discounts, and rules, procedures and fees for handling reservation cancellations, ticket exchanges, and ticket or payment refunds) will be handled consistent with Amtrak national policies.
- (e) The parties shall cooperate for the purpose of effecting the continuing existence and use of the rail passenger service herein and shall take such other action as

they may mutually agree is conducive to the establishment and provision of the service on a regular, efficient and economic basis. To that end, Amtrak may incorporate the service in its general advertising and promotional programs as it may deem appropriate to the area in which the service is provided. By mutual agreement between the parties, confirmed in writing, Amtrak shall, in consultation with CCJPA, arrange for additional/alternative advertising directed specifically to the service as a Route Advertising cost. The cost of such additional Route Advertising shall be borne by CCJPA, in accordance with the Agreed 209 Methodology.

Each party grants the other a limited, non-exclusive license to use its name, trade name, trademarks and services marks (collectively referred to as "Marks") for the purpose of implementing the regional marketing and advertising plan. Except as expressly provided herein, no right, property, license, permission or interest of any kind in or to the use of any Mark owned or used by a party is or is intended to be given or transferred to or acquired by the other party by the execution, performance or nonperformance of this Agreement or any part thereof. Each party agrees to comply with all of the other party's instructions regarding the other party's Marks. Neither party shall use any Marks of the other in any manner that would diminish its value or harm the reputation of the other party.

Each party acknowledges that the other party's Marks and copyrights are considered to be valuable and that it (or its licensors) claims to own all worldwide right, title and interest therein and thereto. Each party agrees that it shall in no way contest or deny the validity of, or the right or title of, the other party's Marks by reason of this Agreement. Each party further agrees not to register anywhere in the world any domain name, name, mark, symbol, logo, copyright, company, product name, service name or description that could be confused with or is similar to or which dilutes the other party's Marks.

Each party shall have the right to review and approve, prior to publication or display, the portion of any and all content, artwork, copy, advertising, promotional materials, direct mail, inserts, press releases, newsletters, web pages or other communications or any other publicity published or distributed by the other (or at its direction or authorization) that specifically references this Agreement, the party's name or uses any of the party's Marks. Approval shall not be unreasonably withheld or delayed, and in no event shall the time period to respond to a request for approval exceed thirty (30) days. All advertising and promotional materials shall contain disclaimers, limitations of liability notices, proprietary notices (e.g., trademark and copyright notices) and such other notices as required by the other party. Notwithstanding any notice provision in this Agreement, the parties may provide notice of approval or rejection as mutually agreed upon by the parties.

- (f) Amtrak agrees to insert, in all published timetables related to the rail passenger service herein, the following statement:

“This service is financed primarily through funds made available by the State of California, Department of Transportation”.

- (g) In order to enhance the operation of the service set forth in Appendix I, Amtrak and CCJPA may, from time to time, identify projects to improve facilities used on the Capitol Corridor route identified in Appendix I. Projects are understood to include the following: maintenance, physical improvements, alteration or repair work done for facilities related to rail or feeder bus service, which facilities include, but are not limited to, track, rail equipment, and stations (landscaping, pavement, parking lots, signage, P.A. systems, baggage rooms, lighting, bus loading and layover area).

Such projects may, at the written request of CCJPA and with the written approval of Amtrak, be undertaken by Amtrak using funds allocated by CCJPA. In order to implement a specific project, CCJPA will provide Amtrak with a written authorization to proceed with that project, including a project description, any prior written approval of the plans and specifications for the project, and the total cost estimate and limits for such project. Such authorization shall specify the maximum amount of money that is allocated to the specific project being authorized. Amtrak shall respond to CCJPA’s authorization within sixty (60) days, providing concurrence in or rejection of the project description and budget. If Amtrak provides concurrence, its response shall advise of the project’s estimated schedule, including start and completion dates. If Amtrak rejects the project, its response shall specify the reason(s) therefor.

- (h) Amtrak shall contract with one or more bus operators (“Contract Bus Operator(s)”) for the provision of connecting bus service between an Amtrak station or stations and other points, over such route(s) and in accordance with service levels as may be more particularly set forth in Appendix II, attached hereto and made part hereof. Only passengers in possession of valid Amtrak tickets, vouchers or passes for transportation to, from, or through the Amtrak station or stations set forth in Appendix II shall be accepted for carriage except Route 35. Amtrak shall observe all provisions set forth in Senate Bill 804, Chapter 458, except as modified by the provisions of SB 684, Chapter 200 Statutes of 2007. No checked baggage shall be carried, except between such specific points as may hereafter be agreed to by Amtrak and CCJPA.
- (i) CCJPA is leasing State-owned cars and locomotives for shared service in northern California on the Capitol Corridor with the equipment also being assigned to the San Joaquin Corridor. When a State-owned car or locomotive is made a part of the pool supporting these two corridors, Amtrak will give CCJPA twelve (12) hours advance written notice of its arrival. Upon its arrival, the car or locomotive will be held for CCJPA inspection. When CCJPA notifies Amtrak that the vehicle has been inspected or after the vehicle has been in northern California for twelve (12) hours, whichever occurs first, the vehicle shall be released for Amtrak

use. Amtrak will notify CCJPA in writing that a car or locomotive is leaving the northern California pool eighteen (18) hours before movement. Provided this notification is given, Amtrak is free to move the car or locomotive upon inspection by CCJPA or at the end of the eighteen (18) hour period (whether or not it has been inspected by CCJPA), whichever occurs first. In an emergency situation, Amtrak is authorized to move State-owned cars and locomotives in and out of the northern California pool without the notice and holding periods set forth above; however, Amtrak will provide a notice to CCJPA as soon as possible.

- (j) Amtrak will be expected to meet the following service performance standards subject to Section 7:
- Availability of bus equipment and its condition in accordance with the standards as specified in Appendix II.
 - Provision of reliable on-time performance for those areas directly under Amtrak control in accordance with the standards as specified in Appendix V.
 - Provision of employee conduct and revenue collection in accordance with the standards as specified in Appendix VI.
 - Availability of train equipment and its condition in accordance with the standards as specified in Appendix VII.
 - Provision of required reports in accordance with the standards as specified in Appendix VIII.
 - Provision of customer satisfaction in accordance with the standards as specified in Appendix IX.
 - Maintenance of stations directly under Amtrak control in accordance with the standards as specified in Appendix X.
 - Maintenance and cleaning of equipment in accordance with the standards as specified in Appendix XII.
 - (No equipment performance surveys are planned to be performed for FY 14.)

If the total amount of accepted assessments incurred exceeds \$10,000 per month for three consecutive months, Amtrak will provide a written report detailing the cause(s) of the service failures and the actions that are being taken to correct them. If, in the reasonable judgment of the CCJPA, the report does not adequately address the performance issues, the parties shall promptly confer for the purpose of reaching mutual agreement on a course of action, and as necessary, amend the Agreement accordingly.

- (k) To appropriately monitor the fiscal performance of the Service, the parties agree to meet on a quarterly basis to review and discuss actual results versus budget, and current Capitol Corridor related job vacancies, and to make adjustments to this Agreement and other service-related documents as necessary and appropriate. Both parties agree that maintaining appropriate staffing levels is key to the continued success of the Service, and Amtrak is committed to sourcing qualified job applicants and filling vacancies in a timely and efficient manner.
- (l) Amtrak shall deploy State-owned equipment among the San Joaquin, Surfliner and Capitol Corridors consistent with the Deployment Plan for State-Provided Equipment. Amtrak agrees to meet on a monthly basis with the State and CCJPA to review and update, as necessary, the Deployment Plan. Further, CCJPA agrees to meet with the Amtrak and the State within 48 hours of an event that causes a reduction in the number of available units of equipment identified in the Deployment Plan, in order to modify the Deployment Plan to meet the reduced level of equipment.
- (m) The Letter of Understanding dated May 25, 2007 between State and CCJPA to formalize all equipment maintenance responsibilities between State and CCJPA (“Letter of Understanding”) is attached hereto and incorporated herein as Appendix XIV. In accordance with the Letter of Understanding, the State shall have the ability to make all final decisions regarding modifications to State-owned equipment. CCJPA understands and agrees that Amtrak shall not modify State-owned rolling stock without the State’s prior written approval. Notice of such Caltrans-authorized modifications shall be provided to CCJPA as soon as possible.

In the event Amtrak modifies State-owned rolling stock without the State’s prior written approval, Amtrak shall be responsible for all costs associated with restoring the rolling stock to its prior condition.

SECTION 2 – DECISIONS AFFECTING SERVICE

- (a) Amtrak shall give CCJPA not less than thirty (30) days’ prior notice in writing of implementation of any Amtrak decision which is likely to have a significant effect on the scheduling, marketing (including fares and ticketing), or operations of the rail passenger service provided pursuant to this Agreement. Such notice shall contain information in sufficient detail to support and justify such decision. CCJPA hereby recognizes Amtrak’s statutory obligation to act in a manner consistent with prudent management in providing rail passenger service, including any expansion of rail passenger service. Accordingly, the parties shall work in good faith to reach mutual accord on any such decision as aforesaid pursuant to the following procedure:
 - (i) If any proposed aforesaid decision relates only to the train and bus services provided pursuant to this Agreement, and if it can be

implemented, in the reasonable judgment of Amtrak, without adversely affecting other Amtrak service, Amtrak shall obtain CCJPA's concurrence thereon prior to such implementation. CCJPA shall promptly respond in writing to notice from Amtrak as aforesaid stating that it concurs, or, in the alternative, giving reasons in sufficient detail why it does not concur. In the latter event, the parties shall promptly confer for the purpose of reaching mutual agreement and concurrence within the period of the notice; provided, however, that CCJPA shall not unreasonably withhold its concurrence.

- (ii) If, in the reasonable judgment of Amtrak, any proposed aforesaid decision will affect other Amtrak service, Amtrak shall solicit CCJPA's concurrence thereon prior to implementation. CCJPA shall promptly respond in writing to notice from Amtrak as aforesaid stating that it concurs or, in the alternative, giving reasons in sufficient detail why it does not concur. In the latter event, the parties shall promptly confer for the purpose of reaching mutual agreement and concurrence within the period of the notice; provided, however, that if the parties fail to agree, Amtrak may implement such proposed decision upon the expiration of the period.
 - (iii) If, under Subsections (a) (i) or (ii) of this Section 2, CCJPA fails to respond in writing to notice from Amtrak as aforesaid within fifteen (15) days, CCJPA shall be deemed to have concurred in the proposed decision set forth therein.
- (b) Notwithstanding the notice procedures contained in this Section 2, if access to or over rail lines on any route provided herein shall be unavailable by reason of obstruction or otherwise, Amtrak may suspend or reroute any part of the service provided pursuant to this Agreement for so long as such access shall be unavailable. Amtrak shall promptly notify CCJPA of any such suspension or rerouting, and the parties shall cooperate to restore the rail service provided for herein.
- (c) If either party desires to change any service element in this Agreement, it will give written notice to that effect. The parties agree that within two (2) weeks of receipt of such written notice, they will meet to negotiate the desired changes. If the parties agree to change a service element, the Agreement will be amended as required by the service change. The parties may not after good faith discussions unreasonably withhold consent to change a service element. The foregoing notwithstanding, either party may withhold such consent at its sole discretion due to an adverse impact on service quality, ridership, and/or financial performance. If consent is withheld, such service element change will not occur.

- (d) Changes in bus service schedule(s) may be made, as necessary to coordinate with changes in applicable schedules of Amtrak's rail passenger service. Each such service shall commence on the applicable commencement date set forth in Appendix II and shall terminate without further notice on the applicable termination date set forth therein. Notwithstanding the foregoing, any such service may be terminated by Amtrak (with the concurrence of CCJPA) or the Contract Bus Operator on sixty (60) days' prior written notice; and CCJPA may upon seventy-five (75) days' prior written notice, request Amtrak to terminate any portion of the service provided in Appendix II; provided, further, that termination hereunder shall not relieve either party hereto of financial obligations incurred prior to termination.
- (e) Amtrak shall notify and consult (and include, as necessary) CCJPA of discussions or negotiations with railroads or appropriate regional rail authorities regarding schedule changes which impact Service hereunder.

SECTION 3 – AMOUNT OF REIMBURSEMENT BY CCJPA

- (a) CCJPA shall pay Amtrak the following financial support for the operation of the Service described in Appendix I for the period from October 1, 2013 through and including September 30, 2014:

Capitalized terms shall have the meaning set forth in the Agreed 209 Methodology.

- (i) The sum of Forty-Four Million, Six Hundred Seventy-Seven Thousand Dollars (\$44,677,000) representing a fixed fee for all projected Route Costs and Additives for the Service other than Third Party Costs and Capital Costs – Passenger Service Equipment (“Fixed Fee”). CCJPA and Amtrak agree that the Fixed Fee has been mutually agreed upon by the parties and is not subject to audit adjustment.
- (ii) Operating Costs – general. Operating Costs will be calculated according to the Agreed 209 Methodology. Route Costs, Additives and Passenger and Other Allocated Revenues shall be fixed for the duration of the Agreement in the amounts specified in Appendix XV, Schedule B and are not subject to audit adjustment. Third Party Costs shall be charged based on actual costs incurred. For purposes of estimating the net Operating Cost, estimates of Third Party Costs are provided in Appendix XV, Schedule B.
- (iii) Third Party Costs – Fuel. For the purpose of determining the basis for funding, fuel cost shall be based upon the allocated gallons consumed by the Capitol Corridor as reported by Amtrak Performance Tracking (APT)

during each billing period multiplied by the average cost per gallon paid for fuel by Amtrak, on a monthly basis in Oakland, Sacramento, or other fueling location(s) as appropriate.

- (iv) Third Party Costs – Host Railroad Maintenance of Way, Performance Incentives and Other Costs. Host railroad expenses shall be computed by Amtrak on a monthly basis, as billed to Amtrak by the host railroads. Host railroad expenses shall be billed to the CCJPA on an actual cost basis. Upon request and provided that the CCJPA will not disclose to any third party without Amtrak's prior approval any confidential or proprietary data provided hereunder, Amtrak shall provide documentation of actual host railroad Maintenance of Way, Performance Incentive and Other Costs.
- (v) Capital Costs – Passenger Service Equipment. Capital Costs for Passenger Service Equipment are included in this Agreement and will be calculated as a usage fee according to the Agreed 209 Methodology and will be charged to the CCJPA in accordance with Appendix XV, Schedule C.
- (vi) Capital Costs – Fixed Assets. Under the provisions of PRIIA Section 209, Capital Costs associated with the utilization of Amtrak owned fixed asset capital investments and/or various other non-Amtrak owned fixed assets utilized for the operation of a state-supported route are to be calculated according to the Agreed 209 Methodology and charged to the applicable state-supported routes utilizing such assets. As of the present time, no specific calculations have yet been developed for the allocation of such costs and accordingly, no such costs have been allocated, nor are currently being assessed under the provisions of this Agreement.

The total amount of the CCJPA's financial obligation to Amtrak under this Agreement for Services to be rendered by Amtrak pursuant thereto shall not exceed the amount(s) set forth in Appendix III hereto. The parties further agree that within 45 days of the last day of each month of the contract year, the parties will review actual Third Party Costs for the preceding month in order to evaluate whether the remaining funds available to the CCJPA are likely to meet the projected Route Costs, Additives, Third Party Costs and Capital Costs – Passenger Service Equipment for the remainder of the contract year. In the event that the amount of projected Route Costs, Additives, Third Party Costs and Capital Costs – Passenger Service Equipment for the remainder of the contract year is forecasted to exceed the remaining available CCJPA funds, including use of the fuel and/or host railroad access fee credits described in Section 4(b) below, the CCJPA agrees to: (a) obtain supplemental funding; and/or (b) work with Amtrak to implement any and all necessary service modifications to reduce projected contract payments to match the level of anticipated funding. Amtrak shall not be required to provide any of the said Service or any services whatsoever

for which the CCJPA is not bound hereunder or for which the cost to the CCJPA, as determined hereunder, exceeds the aforesaid amount(s); provided, further, that the CCJPA may increase the amount of its financial obligation hereunder through transfers or additional appropriations.

- (b) CCJPA hereby agrees to pay Amtrak for the costs of projects undertaken in accordance with Subsection (g) of Section 1 of this Agreement, in accordance with the Agreed 209 Methodology.
- (c) In the event Amtrak provides services in accordance with Subsection (c) of Section 1 of this Agreement, CCJPA shall compensate Amtrak in accordance with the Agreed 209 Methodology.
- (d) In the event the parties fail to reach agreement for operation of the Service for the period October 1, 2014 through September 30, 2015 (“FY15 Agreement”) prior to October 1, 2014, the parties agree that the terms of this prior FY14 Agreement shall govern continued operation of the Service until a new agreement is executed by the parties (“Continuation Period”). In such event, the CCJPA agrees to continue to reimburse Amtrak for the Operating Costs and Capital Costs – Passenger Service Equipment, at the level established for the period October 1, 2013 through September 30, 2014, plus the addition of a 4% escalation component, for the first three months (October 1, 2014 through December 31, 2014) of the Continuation Period, with the escalation component increasing to 5% for the Continuation Period beyond December 31, 2014. Once an FY15 Agreement is executed by the parties, Amtrak will credit the CCJPA’s payments made during the Continuation Period to the CCJPA’s obligations under the FY15 Agreement. In no event shall the Continuation Period extend beyond June 30, 2015.
- (e) From time to time, Amtrak may make updates to the Amtrak Performance Tracking (APT) system which is the basis of many cost allocations within the Agreed 209 Methodology, or may make updates to Operating or Capital Cost forecasts derived from APT data. In the event any such updates are, consistent with the requirements of Section 209 Methodology, determined by Amtrak to warrant the revision of any such costs in a manner that would result in an adjustment of the amounts paid by or to be paid by the CCJPA under the terms of this Agreement, Amtrak will notify the CCJPA of such adjustment(s) and, subject to mutual agreement of the parties, amend this Agreement accordingly.

SECTION 4 – MANNER OF REIMBURSEMENT

- (a) On or before the fifteenth day of each month from the first through the twelfth months, inclusive, of the federal fiscal year specified in Appendix III hereto, CCJPA agrees to reimburse Amtrak in accordance with the monthly payment schedule included in Appendix XV, Schedule A, in response to an invoice rendered by Amtrak. Invoices shall be rendered not less than forty-five (45) days prior to the due date and shall specify the address to which the said remittance

shall be made. Payment of all invoices will be due upon receipt. A late fee of one (1) percent per month will be charged on the outstanding balance of all unpaid invoices more than 30 days from the CCJPA's receipt of a check from the State of California for the unpaid invoice(s). In the event of a natural disaster that causes Capitol Corridor revenue to increase or decrease, Amtrak and the CCJPA mutually agree to review projected revenue and expense identified in the monthly payment schedule included in Appendix XV, Schedule A. As a result of the review described in the previous sentence, should the parties determine that the funds available to the CCJPA for the remainder of the year are insufficient to support the service levels described in Appendix I and Appendix II, the CCJPA agrees to: (a) obtain supplemental funding; and/or (b) work with Amtrak to implement any and all necessary service modifications to reduce projected contract payments to match the level of anticipated funding.

- (b) Amtrak shall also submit Monthly Reconciliation Statements to the CCJPA that establish the actual Third Party Costs for operating the Capitol Corridor. As provided by the Agreed 209 Methodology, the actual monthly Third Party Costs will be calculated using supplemental financial data in accordance with Section 3(a)(iii) and Section 3(a)(iv). Fuel hedges utilized by Amtrak are reflected in the estimated fuel costs, and will be applied in the calculation of actual fuel expenses, regardless of economic conditions. Fuel and host railroad access fee credits resulting from the monthly reconciliation process will be credited to the CCJPA CCRP as set forth in Appendix III of this Agreement, which credits may be used among other things, to pay for Host Railroad Performance Payments due the Union Pacific Railroad that exceed the FY14 estimate for the Capitol Corridor. Amtrak shall also submit a year-end final reconciliation to the CCJPA following the Appendix III format for 'aggregate amount allocations'.
- (c) In the event that CCJPA shall fail to remit any undisputed payment in full, as provided in this Section, Amtrak may suspend the applicable portion or portions of the rail passenger service provided for herein on ten (10) days' prior notice in writing to CCJPA of intended suspension. Notwithstanding the 180-day notice requirement contained in 49 U.S.C. Subsection 24706(a), if CCJPA fails to remit payment in full within the period of the said notice, Amtrak shall discontinue the portion or portions of the said service referred to therein after thirty (30) days prior written notice to the CCJPA; provided, however, that such discontinuance shall not constitute or be construed as a waiver by Amtrak of any such payment; provided, further, that any such discontinuance shall be without prejudice to the continued operation of any remaining portion or portions of the said service.
- (d) If any projects are implemented in accordance with Subsection (g) of Section 1 above, Amtrak shall render separate invoices for each project. Such invoices shall be rendered as soon as practicable after the completion of the project, but in any event not more than sixty (60) days after completion.

- (e) If any Extra Work is undertaken in accordance with Subsection (c) of Section 1 above, Amtrak shall render separate monthly invoices for the Extra Work. Such invoices shall be rendered as soon as practicable after each month or the completion of the project whichever is earlier, but in any event not more than sixty (60) days after the month or upon completion of the project.
- (f) Notwithstanding the expiration date of this Agreement or the termination of this Agreement for any reason, CCJPA will pay Amtrak for costs for services performed during the term of this Agreement and for the costs of projects authorized and begun during the term of this Agreement but invoiced after the expiration date or termination of this Agreement.
- (g) Not later than ninety (90) days following the termination of the said Service as provided herein, each party hereto shall remit to the other the full balance due with respect to underpayment or overpayment, if any, relating to the obligations of each party to the other pursuant to the terms of this Agreement.
- (h) In the event that Amtrak fails to perform the services as required by this Agreement, or an invoiced amount is disputed by CCJPA, the provisions of this subsection shall apply.

- (i) Withholding Payment Due to Failure to Comply

In the event Amtrak does not substantially comply with the requirements of this Agreement including the Appendices as they relate to CCJPA provided equipment and train and bus service operations set forth in Appendix I and Appendix II, CCJPA shall compute the value of the perceived failure and notify Amtrak in writing that a corresponding amount will be withheld from the monthly payment following the next monthly payment if the perceived failure has not been resolved to the CCJPA's reasonable satisfaction. CCJPA shall detail the reason for the proposed withholding of payment, as well as the detail calculations for the failure amount and the actions CCJPA considers necessary to resolve the perceived failure. Once resolution of the failure to comply is achieved between CCJPA and Amtrak, the notice to withhold will either be withdrawn, upheld, or modified, and the portion of the monthly payment withheld, modified if applicable, will be remitted with the next monthly payment. Should resolution of the perceived non-compliance not be achieved through negotiation or the dispute resolution provisions of Section 10.1 of the Renegotiated Maintenance and Transfer Agreement between the CCJPA and Amtrak dated October 1, 1999 herewith (hereinafter referred to as the "RMTA"), the withheld amount will be paid under protest once the invoice for that month is presented. Such payment shall not be considered as resolution of the dispute,

and the process outlined in Section 10 of the RMTA shall be carried to its conclusion. Should the resolution of the dispute result in a refund to CCJPA, said refund shall be applied as a credit to the next monthly payment, and shall be expressly accounted for therein. Should resolution of the dispute result in a remittance or payment to Amtrak, said payment will be made to Amtrak in the next monthly payment due, and shall be expressly accounted for therein.

(ii) Withholding Payment Due to Invoice Dispute

In the event CCJPA disputes a charge detailed in an invoice pursuant to Sections 1 (c) or (g) and Section 3 (a) (ii) or (iii), and Amtrak cannot provide a reasonable explanation of said charge, CCJPA shall have the right to withhold the amount in dispute as specified herein and shall be required to pay the remainder of the invoice. CCJPA shall advise Amtrak of the amount of disputed charges to be withheld, detail reasons for the withholding, and the actions that CCJPA considers necessary to resolve the disputed invoice amount. CCJPA shall notify Amtrak in writing of its intention to withhold the payment of an invoice amount. Once resolution of the disputed invoice amount is achieved between CCJPA and Amtrak, the notice to withhold will either be withheld, withdrawn, or modified and the portion of the disputed invoice will be remitted accordingly. Should resolution of the disputed invoice amount not be achieved through negotiation or the dispute resolution provisions of Section 10 of the RMTA, the withheld amount will be paid under protest after three (3) calendar months of withholding. Such payment shall not be considered as resolution of the dispute and the process outlined in Section 10 of the RMTA shall be carried to its conclusion. Should the resolution of the dispute result in a refund to CCJPA, said refund shall be applied as a credit to the next monthly payment, and shall be expressly accounted for therein. Should resolution of the dispute result in a remittance or payment to Amtrak, said payment will be made to Amtrak in the next monthly payment due and shall be expressly accounted for therein.

- (i) With CCJPA assuming the risk of fuel costs and host railroad access fee payments, any revenue above the Passenger and Other Allocated Revenue estimated for the FY14 Capitol Corridor Service shall be used as directed payments to offset any additional cost for fuel and/or host railroad access fee payments that exceed their respective budgets. The balance of any remaining revenue above the Passenger and Other Allocated Revenue estimated for the FY14 Capitol Corridor Service that have not been used to cover fuel and/or host

railroad access fee payments that exceed their respective budgets, will remain with Amtrak.

- (j) Capitol Corridor Reinvestment Program (CCRP). The CCRP will be funded both directly by CCJPA and through the access fee and fuel credits described in Section 4(b). Funds from the CCRP will be used for the following:
 - (i) to reimburse Amtrak for projects initiated in accordance with Section 1(g);
 - (ii) to reimburse Amtrak for Rolling Stock Insurance (RSI), representing CCJPA's estimated share of premium cost for RSI procured by Amtrak on behalf of the State of California;
 - (iii) to pay for Host Railroad Performance Payments due the Union Pacific Railroad that exceed the FY14 estimate for the Capitol Corridor.

Any remaining amount will be retained in the CCRP for use by the CCJPA at their sole discretion

SECTION 5 – INDEMNIFICATION

- (a) Amtrak will indemnify and hold harmless (and defend, in accordance with the provisions of Subsection (d) below) CCJPA, its employees and agents, against any and all claims, damages, liability and court awards, including reasonable costs, expenses and attorney fees, incurred as a result of any act or omission by Amtrak or its employees, agents or contractors, and third parties except with respect to claims, damages, liability and court awards for which CCJPA is required to indemnify Amtrak pursuant to Subsection (b) hereof. Further, Amtrak will indemnify and hold harmless (and defend, in accordance with the provisions of Subsection (d) below) CCJPA, its employees and agents, irrespective of any negligence of any kind on their part, against any and all claims, damages, liability and court awards, including reasonable costs, expenses and attorney fees, incurred for death or injury to Amtrak employees. For the purpose of this Section 5, each of the member agencies of CCJPA and the State and their employees, while performing a duty delegated to it or them by CCJPA, shall be considered an "agent" of CCJPA. However, in no event shall Amtrak be liable to CCJPA, its employees or agents, for any special, incidental or consequential damages, even if Amtrak has been advised of the possibility of such potential loss or damage.
- (b) CCJPA will indemnify and hold harmless (and defend, in accordance with the provisions of Subsection (d) below) Amtrak, its employees and agents, irrespective of any negligence of any kind on their part, against any and all claims, damages, liability and court awards, including reasonable costs, expenses and attorney fees, incurred (1) for death or injury to any person except Amtrak employees and for damage to any property except Amtrak property as a result of any act or omission by CCJPA or its employees, agents or contractors, and (2) for death or injury to employees of CCJPA, its agents or contractors which death, or

injury occurs while such CCJPA employee, agent, or contractor is (i) at any Amtrak maintenance facility or station or on any railroad right of way, or (ii) riding a train or bus on an inspection pass (rather than on a purchased ticket); and (3) for damage to property of CCJPA, the State, their employees, agents or contractors, and CCJPA hereby releases and waives any claim against Amtrak, its employees and agents for damage to such property. However, in no event shall CCJPA be liable to Amtrak, its employees or agents for any special, incidental or consequential damages, even if CCJPA has been advised of the possibility of such potential loss or damage.

- (c) Amtrak shall name CCJPA, the CCJPA member agencies, the State of California, Department of Transportation, and the California State Transportation Agency as additional insureds on Amtrak's existing excess railroad liability insurance policy or policies, but only as respects services provided by Amtrak pursuant to this Agreement for the purpose of satisfying the indemnification and associated defense cost obligations assumed by both parties pursuant to this Agreement. Notwithstanding the foregoing, the indemnification obligations of Amtrak to CCJPA shall not be limited to such insurance coverage.
- (d) Each party agrees to provide prompt written notice and all information and to cooperate fully with respect to any claims presented to such party, which are subject to indemnification and defense by the other party.
 - (i) If a claim, lawsuit, action or proceeding arises solely from the alleged conduct of, or death or injury to, the employees, agents or contractors of CCJPA or the State or damages to property of CCJPA, the State, CCJPA's employees, agents or contractors for which CCJPA has agreed to indemnify Amtrak pursuant to Subsection (b) of this Section, then CCJPA shall assume the defense and bear the cost and expense (including attorneys' fees) of undertaking the defense and/or settlement of and shall pay any settlement or final judgment disposing of such claim, lawsuit, action or proceeding; provided, however, that if a final adjudication or arbitral decision is later made that the death or alleged injury or damage arose partially as a result of conduct for which Amtrak has agreed to indemnify CCJPA hereunder, then Amtrak shall reimburse CCJPA promptly for the proportional costs and expenses (including attorneys' fees) incurred by CCJPA therefor.
 - (ii) If a claim, lawsuit, action or proceeding arises solely from the alleged conduct of Amtrak, its employees, agents or contractors or from death or injury to Amtrak employees for which Amtrak has agreed to indemnify CCJPA pursuant to Subsection (a) of this Section, then Amtrak shall assume the defense and bear the cost and expense (including attorneys' fees) of undertaking the defense

and/or settlement of and shall pay any settlement or final judgment disposing of such claim, lawsuit, action or proceeding.

- (iii) If a claim, lawsuit, action or proceeding arises from the alleged conduct of both Amtrak and CCJPA for which each has agreed to indemnify the other pursuant to this Section or if the cause of the death or alleged injury or damage is not alleged at the time the claim, lawsuit, action or proceeding is filed, then Amtrak shall undertake the defense and/or settlement of such claim, lawsuit, action or proceeding and shall initially bear the cost and expense (including attorneys' fees) thereof, and CCJPA shall have the right to participate in the defense at its own expense and to approve any settlement or referral to arbitration. If a final adjudication or arbitral decision is later made that the death or alleged injury or damage arose as a result of conduct for which CCJPA has agreed to indemnify Amtrak hereunder, then CCJPA shall reimburse Amtrak promptly for the costs and expenses (including attorneys' fees) incurred by Amtrak therefor.

SECTION 6 - INSPECTION AND AUDIT

- (a) CCJPA may, at any time, inspect the rail passenger and bus feeder services, facilities and equipment provided hereunder; provided, however, that such inspection shall not hinder or delay the operation of the said Service. Upon reasonable notice, Amtrak shall permit auditors or any other duly authorized agents of CCJPA to inspect all books, records and accounts relating to amounts invoiced pursuant to Section 1 (b) and (f), including supporting documentation provided to Amtrak by vendors in connection therewith. All such books, records, accounts and documents shall be maintained by Amtrak in accordance with generally accepted accounting principles and be accessible to CCJPA for a period of three (3) years following the expiration of each contract period as defined in Appendix III hereto.
- (b) Amtrak shall, without cost to CCJPA, provide the number of passengers carried and passenger miles operated for each train as included in Appendix I. Such data shall be computed and furnished on a monthly basis. Amtrak will provide CCJPA with the monthly ridership tape origin-destination data for all tickets collected on the train and feeder bus network. Furthermore, Amtrak will take reasonable steps to provide such supplemental data relating to the said Service as may be reasonably requested by CCJPA.

SECTION 7 – FORCE MAJEURE

The obligations of Amtrak hereunder shall be subject to force majeure. Amtrak shall not be liable for any failure to perform, or for any delay or cancellation in connection with

the performance of any obligation hereunder if such failure, delay or cancellation is due to or in any manner caused by the statutes, laws, regulations, acts, demands, orders or interpositions of any federal, state, county or local government agency or joint powers authority having jurisdiction thereof, or by Acts of God, strikes, fire, flood, weather, theft, vandalism, war, acts of picketing, rebellion, insurrection or terrorism, track condition, or any other cause beyond Amtrak's control.

SECTION 8 –TERMINATION

- (a) This Agreement shall terminate effective upon termination of the Interagency Transfer Agreement between the State and CCJPA. CCJPA agrees to give notice to Amtrak, by overnight courier with confirmed delivery, promptly upon receipt of notice from the State of termination of the Interagency Transfer Agreement in accordance with its provisions, or if given by CCJPA, promptly upon giving such notice to the State. This Agreement may be terminated upon ninety (90) days prior notice in writing from CCJPA to Amtrak. Upon termination of this Agreement for any reason at any time other than at the end of a federal fiscal year, CCJPA shall pay the following termination costs to Amtrak:
- (i) The reasonable cost of settling and paying claims out of the termination of Services under subcontracts or purchase orders;
 - (ii) Reasonable costs determined at the time of termination which are incurred pursuant to the performance of any specific written instructions received from CCJPA concerning such termination; and
 - (iii) Any other reasonable costs incidental to such termination of Service, specifically excluding, however, any costs of labor protection arising from such termination.

Notwithstanding all of the foregoing, the total amount of termination costs payable to Amtrak shall not exceed 1/12 of the approved contract amount as set forth in Appendix III for the fiscal year in which the termination occurs. No termination of this Agreement shall diminish or affect CCJPA's obligation to pay for any service rendered or to fulfill any other obligation incurred prior to the effective date of the termination.

- (b) Termination pursuant to this Section shall be without prejudice to Amtrak's right to receive compensation and reimbursement pursuant to the provisions of Sections 3 and 4 hereof for Service provided until and including the date of termination.

SECTION 9 – NOTICES

Except as otherwise provided in Section 4 (a) hereof, any notices required by this Agreement or related to the service provided for under this Agreement by either party shall be in writing and shall be directed to the officials identified herein by personal delivery or by deposit in the United States mail via first class mail, postage prepaid, or by overnight courier.

For Amtrak: Contractual Issues:
Senior Director State Partnerships
National Railroad Passenger Corporation
530 Water Street, 5th Floor
Oakland, California 94607

All Other Issues:
Deputy General Manager California
National Railroad Passenger Corporation
530 Water Street, 5th Floor
Oakland, California 94607

For CCJPA: Managing Director
Capitol Corridor Joint Powers Authority
300 Lakeside Drive, 14th Floor East
Oakland, California 94612

The titles and addresses set forth herein may be changed at any time by either party hereto by notice in writing to the other.

SECTION 10 – AGREEMENT CONTENT

- (a) This Agreement constitutes the entire agreement between the parties related to the subject matter hereof. There are no agreements, whether express or implied except as are expressly set forth herein. All prior agreements and understandings between the parties with respect to the provision of service herein and after the effective date of this Agreement are subsumed within this Agreement. No change or modification in or to this Agreement, excepting only those changes provided for in Appendix I, Appendix II and Appendix III shall be of any force or effect unless in writing, dated and executed by duly authorized representatives of the parties.
- (b) Notwithstanding the provisions of Subsection (a) of this Section, the parties acknowledge and agree that as between CCJPA and Amtrak the provisions of the

RMTA control the use by CCJPA and operation by Amtrak of State-owned cars and locomotives for the rail service provided hereunder. To the extent that there are any conflicts or inconsistencies between the provisions of this Agreement and the RMTA, the provisions of this Agreement shall be controlling.

SECTION 11 – CONSTRUCTION

The Section headings used in this Agreement are for convenience only and shall not affect the construction of any of the terms hereof. This Agreement and the rights and obligations of the parties hereto shall be governed by and construed in accordance with the laws of the District of Columbia without regard to conflicts of laws or choice of laws provisions.

SECTION 12 – SEVERABILITY

If any part of this Agreement is determined to be invalid, illegal or unenforceable, such determination shall not affect the validity, legality or enforceability of any other part of this Agreement and the remaining parts of this Agreement shall be enforced as if such invalid, illegal or unenforceable part were not contained herein.

SECTION 13 – FAIR EMPLOYMENT PRACTICES

Amtrak shall observe the terms and conditions set forth in Appendix IV, titled FAIR EMPLOYMENT PRACTICES ADDENDUM, attached hereto. In said Appendix, the term “Contractor” shall be deemed to read “Amtrak”.

SECTION 14 – CONFIDENTIALITY

CCJPA desires that Amtrak disclose to CCJPA certain proprietary and confidential commercial and financial information of Amtrak pursuant to this Agreement and the services provided hereunder. CCJPA agrees that, subject to the requirements of the California Public Records Act (California Government Code Sections 6250 etseq.) it, its employees, contractors and agents will not, either during or at any time after the term of this Agreement, publish or disclose to any third party or the public any identified Amtrak proprietary or confidential information of any kind or nature disclosed by Amtrak to CCJPA hereunder without the prior written authorization of Amtrak. This Section shall survive termination or expiration of this Agreement.

SECTION 15 – COMPLIANCE WITH LAWS

The parties will comply with all applicable state, federal and local laws and regulations in the performance of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives in multiple original counterparts as of the day and year first above written.

NATIONAL RAILROAD PASSENGER CORPORATION

Dated: 9/27/13

By:  for NRP
Joseph Boardman
President and Chief Executive Officer

Approved as to Form:

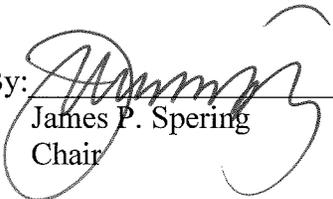
Dated: 9/26/13

By: 
Robin McCarthy
Amtrak Law Department

and

CAPITOL CORRIDOR JOINT POWERS AUTHORITY

Dated: 10/8/13

By: 
James P. Spering
Chair

APPENDIX I

NATIONAL RAILROAD PASSENGER CORPORATION

and

CAPITOL CORRIDOR JOINT POWERS AUTHORITY

AGREEMENT DATED 1 OCTOBER 2013
FOR THE PROVISION OF
RAIL PASSENGER SERVICE

* * * * *

FISCAL YEAR 2014
October 1, 2013 – September 30, 2014
(Effective October 1, 2013)

Pursuant to Section 1 of the aforesaid Agreement Amtrak shall provide rail passenger service during fiscal year 2014 over the route set forth below, in accordance with the schedule(s) attached. The said service shall commence on October 1, 2013, and shall terminate September 30, 2014.

ROUTE

San Jose/Oakland to Sacramento/Auburn

This Appendix I constitutes an integral part of the aforesaid Agreement. No change, modification or amendment hereto shall be of any force or effect unless evidenced by a revised Appendix I provided, however, that notwithstanding the foregoing, changes in the schedule(s) listed herein may be made pursuant to Section 2 of the aforesaid Agreement.

Train number		521	523	525	527	529	531	533	535	537	541	543	545	547	549	551
Days of operation*		M-F	M-F	M-F	M-F	M-F	M-F	M-F	M-F	M-F	M-F	M-F	M-F	M-F	M-F	M-F
Auburn, CA	Dp					6:35A										
Rocklin, CA	Dp					6:58A										
Roseville, CA	Dp					7:08A										
Sacramento, CA	Ar					7:37A										
	Dp	4:30A	5:30A	6:20A	7:00A	7:40A	8:20A	9:20A	10:10A	12:10P	2:10P	3:35P	4:40P	5:40P	7:10P	9:10P
Davis, CA	Dp	4:45A	5:45A	6:35A	7:15A	7:55A	8:35A	9:35A	10:25A	12:25P	2:25P	3:50P	4:55P	5:55P	7:25P	9:25P
Suisun-Fairfield, CA	Dp	5:09A	6:09A	6:59A	7:39A	8:19A	8:59A	9:59A	10:49A	12:49P	2:49P	4:14P	5:19P	6:19P	7:49P	9:49P
Martinez, CA	Dp	5:30A	6:30A	7:20A	8:00A	8:40A	9:20A	10:20A	11:10A	1:10P	3:10P	4:35P	5:40P	6:40P	8:10P	10:10P
Richmond, CA	Dp	5:55A	6:55A	7:45A	8:25A	9:05A	9:45A	10:45A	11:35A	1:35P	3:35P	5:00P	6:05P	7:05P	8:35P	10:35P
Berkeley, CA	Dp	6:02A	7:02A	7:52A	8:32A	9:12A	9:52A	10:52A	11:42A	1:42P	3:42P	5:07P	6:12P	7:12P	8:42P	10:42P
Emeryville, CA	Ar	6:08A	7:08A	7:58A	8:38A	9:18A	9:58A	10:58A	11:48A	1:48P	3:48P	5:13P	6:18P	7:18P	8:48P	10:48P
	Dp	6:10A	7:10A	8:00A	8:40A	9:20A	10:00A	11:00A	11:50A	1:50P	3:50P	5:15P	6:20P	7:20P	8:50P	10:50P
Oakland, CA (Jack London Square)	Ar	6:21A	7:21A	D 8:18A	8:51A	D 9:38A	D 10:18A	D 11:18A	12:01P	2:01P	4:08P	5:26P	6:38P	7:31P	9:08P	11:08P
	Dp	6:23A	7:23A		8:53A				12:03P	2:03P		5:28P		7:33P		
Oakland Coliseum, CA	Dp	6:32A	7:32A	8:25A	9:02A	9:45A	10:25A	11:25A	12:12P	2:12P		5:40P		7:44P		
Hayward, CA	Dp	6:43A	7:43A		9:13A				12:23P	2:23P		5:52P		7:59P		
Fremont-Centerville, CA	Dp	6:59A	7:59A		9:29A				12:39P	2:39P		6:09P		8:17P		
Santa Clara, CA (Great America)	Dp	7:16A	8:16A		9:46A				12:56P	2:56P		6:27P		8:34P		
Santa Clara, CA (University)	Dp	7:24A	8:24A		9:54A				1:04P	3:04P		6:35P		8:42P		
San Jose, CA	Ar	7:38A	8:38A		10:13A				1:18P	3:18P		6:48P		8:58P		

Train number		520	522	524	526	528	530	532	534	536	538	540	542	544	546	548
Days of operation*		M-F	M-F	M-F	M-F	M-F	M-F	M-F	M-F	M-F	M-F	M-F	M-F	M-F	M-F	M-F
San Jose, CA	Dp			6:40A		9:05A		12:20P			3:10P		4:20P	5:50P	7:15P	
Santa Clara, CA (University)	Dp			6:47A		9:12A		12:27P			3:17P		4:27P	5:57P	7:22P	
Santa Clara, CA (Great America)	Dp			6:54A		9:19A		12:34P			3:24P		4:34P	6:04P	7:29P	
Fremont-Centerville, CA	Dp			7:11A		9:38A		12:51P			3:43P		4:51P	6:21P	7:46P	
Hayward, CA	Dp			7:26A		9:54A		1:06P			3:59P		5:06P	6:36P	8:01P	
Oakland Coliseum, CA	Dp			7:36A	8:55A	10:04A		1:16P			4:09P		5:16P	6:46P	8:11P	
Oakland, CA (Jack London Square)	Ar			7:43A	9:03A	10:13A		1:23P			4:18P		5:23P	6:53P	8:18P	
	Dp	5:30A	6:30A	7:45A	9:15A	10:15A	12:15P	1:25P	2:50P	3:30P	4:20P	4:50P	5:30P	6:55P	8:20P	9:25P
Emeryville, CA	Ar	5:38A	6:38A	7:53A	9:23A	10:23A	12:23P	1:33P	2:58P	3:38P	4:28P	4:58P	5:38P	7:03P	8:28P	9:33P
	Dp	5:40A	6:40A	7:55A	9:25A	10:25A	12:25P	1:35P	3:00P	3:40P	4:30P	5:00P	5:45P	7:05P	8:30P	9:45P
Berkeley, CA	Dp	5:44A	6:44A	7:59A	9:29A	10:29A	12:29P	1:39P	3:04P	3:44P	4:34P	5:04P	5:49P	7:09P	8:34P	9:49P
Richmond, CA	Dp	5:52A	6:52A	8:07A	9:37A	10:37A	12:37P	1:47P	3:12P	3:52P	4:42P	5:12P	5:57P	7:17P	8:42P	9:57P
Martinez, CA	Dp	6:19A	7:19A	8:34A	10:04A	11:04A	1:04P	2:14P	3:39P	4:19P	5:09P	5:39P	6:24P	7:44P	9:09P	10:24P
Suisun-Fairfield, CA	Dp	6:38A	7:38A	8:53A	10:23A	11:23A	1:23P	2:33P	3:58P	4:38P	5:28P	5:58P	6:43P	8:03P	9:27P	10:43P
Davis, CA	Dp	7:02A	8:02A	9:17A	10:47A	11:47A	1:47P	2:57P	4:22P	5:02P	5:52P	6:22P	7:07P	8:27P	9:52P	11:07P
Sacramento, CA	Ar	7:28A	8:28A	9:48A	11:13A	12:18P	2:13P	3:28P	4:48P	5:22P	6:23P	6:48P	7:38P	8:58P	10:28P	11:33P
	Dp									5:25P						
Roseville, CA	Dp									5:48P						
Rocklin, CA	Dp									5:56P						
Auburn, CA	Ar									6:30P						

*Weekday trains will NOT operate on holidays

Train number Days of operation*		723 SaSu	727 SaSu	729 SaSu	733 SaSu	737 SaSu	741 SaSu	743 SaSu	745 SaSu	747 SaSu	749 SaSu	751 SaSu
Auburn, CA	Dp			8:05A								
Rocklin, CA	Dp			8:28A								
Roseville, CA	Dp			8:37A								
Sacramento, CA	Ar			9:07A								
	Dp	5:40A	7:40A	9:10A	10:40A	12:10P	2:15P	3:35P	4:40P	5:40P	7:10P	9:10P
Davis, CA	Dp	5:55A	7:55A	9:25A	10:55A	12:25P	2:30P	3:50P	4:55P	5:55P	7:25P	9:25P
Suisun-Fairfield, CA	Dp	6:19A	8:19A	9:49A	11:19A	12:49P	2:54P	4:14P	5:19P	6:19P	7:49P	9:49P
Martinez, CA	Dp	6:40A	8:40A	10:10A	11:40A	1:10P	3:15P	4:35P	5:40P	6:40P	8:10P	10:10P
Richmond, CA	Dp	7:05A	9:05A	10:35A	12:05P	1:35P	3:40P	5:00P	6:05P	7:05P	8:35P	10:35P
Berkeley, CA	Dp	7:12A	9:12A	10:42A	12:12P	1:42P	3:47P	5:07P	6:12P	7:12P	8:42P	10:42P
Emeryville, CA	Ar	7:18A	9:18A	10:48A	12:18P	1:48P	3:53P	5:13P	6:18P	7:18P	8:48P	10:48P
	Dp	7:20A	9:20A	10:50A	12:20P	1:50P	3:55P	5:15P	6:20P	7:20P	8:50P	10:50P
Oakland, CA (Jack London Square)	Ar	7:31A	9:31A	D 11:08A	12:31P	2:01P	4:06P	5:26P	6:38P	7:31P	9:08P	11:08P
	Dp	7:33A	9:33A		12:33P	2:03P	4:08P	5:28P		7:33P		
Oakland Coliseum, CA	Dp	7:42A	9:42A	11:15A	12:42P	2:12P	4:17P	5:40P		7:42P		
Hayward, CA	Dp	7:53A	9:53A		12:53P	2:23P	4:28P	5:52P		7:53P		
Fremont-Centerville, CA	Dp	8:09A	10:09A		1:09P	2:39P	4:44P	6:07P		8:09P		
Santa Clara, CA (Great America)	Dp	8:26A	10:26A		1:26P	2:56P	5:01P	6:27P		8:26P		
Santa Clara, CA (University)	Dp	8:34A	10:34A		1:34P	3:04P	5:09P	6:35P		8:34P		
San Jose, CA	Ar	8:48A	10:48A		1:48P	3:18P	5:23P	6:48P		8:48P		

Train number Days of operation*		720 SaSu	724 SaSu	728 SaSu	732 SaSu	734 SaSu	736 SaSu	738 SaSu	742 SaSu	744 SaSu	746 SaSu	748 SaSu
San Jose, CA	Dp		7:50A	9:50A		12:50P	2:20P		4:25P	5:50P		7:50P
Santa Clara, CA (University)	Dp		7:57A	9:57A		12:57P	2:27P		4:32P	5:57P		7:57P
Santa Clara, CA (Great America)	Dp		8:04A	10:04A		1:04P	2:34P		4:39P	6:04P		8:04P
Fremont-Centerville, CA	Dp		8:21A	10:21A		1:21P	2:51P		4:56P	6:21P		8:21P
Hayward, CA	Dp		8:36A	10:36A		1:36P	3:06P		5:11P	6:36P		8:36P
Oakland Coliseum, CA	Dp		8:46A	10:46A		1:46P	3:16P		5:21P	6:46P		8:46P
Oakland, CA (Jack London Square)	Ar		8:53A	10:53A		1:53P	3:23P		5:28P	6:53P		8:53P
	Dp	7:20A	8:55A	10:55A	12:25P	1:55P	3:25P	4:25P	5:30P	6:55P	7:55P	8:55P
Emeryville, CA	Ar	7:28A	9:03A	11:03A	12:33P	2:03P	3:33P	4:33P	5:38P	7:03P	8:03P	9:03P
	Dp	7:30A	9:05A	11:05A	12:35P	2:05P	3:35P	4:35P	5:40P	7:05P	8:05P	9:05P
Berkeley, CA	Dp	7:34A	9:09A	11:09A	12:39P	2:09P	3:39P	4:39P	5:44P	7:09P	8:09P	9:09P
Richmond, CA	Dp	7:42A	9:17A	11:17A	12:47P	2:17P	3:47P	4:47P	5:52P	7:17P	8:17P	9:17P
Martinez, CA	Dp	8:09A	9:44A	11:44A	1:14P	2:44P	4:14P	5:14P	6:19P	7:44P	8:44P	9:44P
Suisun-Fairfield, CA	Dp	8:28A	10:03A	12:03P	1:33P	3:03P	4:33P	5:33P	6:38P	8:03P	9:03P	10:03P
Davis, CA	Dp	8:52A	10:27A	12:27P	1:57P	3:27P	4:57P	5:57P	7:02P	8:27P	9:27P	10:27P
Sacramento, CA	Ar	9:18A	10:58A	12:58P	2:23P	3:58P	5:26P	6:23P	7:22P	8:58P	9:53P	10:58P
	Dp								7:25P			
Roseville, CA	Dp								7:48P			
Rocklin, CA	Dp								7:56P			
Auburn, CA	Ar								8:33P			

*Weekend trains will ALSO operate on holidays

APPENDIX II

NATIONAL RAILROAD PASSENGER CORPORATION

and

CAPITOL CORRIDOR JOINT POWERS AUTHORITY

AGREEMENT DATED 1 OCTOBER 2013
FOR THE PROVISION OF
RAIL PASSENGER SERVICE

* * * * *

FISCAL YEAR 2014
October 1, 2013 – September 30, 2014
(Effective October 1, 2013)

Pursuant to the aforesaid Agreement and subject to all the terms and conditions thereof, Amtrak shall arrange for the provision of connecting bus service(s) during fiscal year 2014 over the route(s) set forth below. The said service(s) shall commence and terminate on the commencement and termination dates set forth therein, unless sooner terminated as provided in the aforesaid Agreement.

ROUTE 20

From: Sacramento
To: Sparks

Via: Roseville, Rocklin, Auburn, Colfax
Truckee & Reno

From: Sacramento
To: Stateline, NV

Via: Placerville, South Lake Tahoe/Wye and
Stateline, CA

Service Level:

20A: 3 Daily Round Trips using full-size
intercity motorcoaches Sacramento-Sparks.

20D: 1 Mo-Fr except Holiday Round Trip
(including deadhead) using a full-size
intercity motorcoach Roseville-Sacramento.

20B: 1 Mo-Fr except Holiday Round Trip.
(including deadheads) using full-size
intercity motorcoaches Sacramento-Auburn.

20C (Formerly Route 23):1 Daily Round
Trip using a full-size intercity motorcoach
Sacramento-Stateline.

ROUTE 3

From: Sacramento
To: Auburn

Via: Roseville and Rocklin

From: Martinez
To: Davis

Via: Suisun

Service Level:

3B: 3 Mo-Fr except Holiday Round Trips
(including deadheads) using full-size
intercity motorcoaches Sacramento-Auburn.

3D: 1 Mo-Fr except Holiday Round Trip
(including deadhead) using a full-size
intercity motorcoach Martinez-Davis
(replacing train 518).

ROUTE 21

From: San Jose
To: Santa Barbara

Via: Gilroy, Salinas, King City, Paso
Robles, San Luis Obispo/Cal Poly, San Luis
Obispo, Grover Beach, Santa Maria,
Buellton& Solvang

Service Level:

1 Daily Round Trip using a full-size
intercity motorcoach.

ROUTE 35

From: San Jose
To: Santa Cruz

Via: Scotts Valley

Service Level: A minimum of 7 Daily Round Trips using commuter motorcoaches with high-back seats.

ROUTE 55

From: San Jose
To: Monterey

Via: Morgan Hill, Gilroy, Prunedale, and Seaside

Service Level: 3 daily Round Trips using commuter motorcoaches with high-back seats.

ROUTE 99

From: San Francisco
To: Emeryville
Street)

Via: SF Ferry Building, Hyatt, Fourth/Mission, and Caltrain (4th/King

Service Level: A minimum of 15 weekday and 11 weekend Round Trips using full-size intercity motorcoaches.

BUS STANDARDS

All regularly assigned front-line buses, either full size or commuter as specified by route, to be used in the service provided shall meet the following minimum requirements:

- Each bus will be equipped with a working wheelchair lift that meets all requirements of the Americans with Disabilities Act of 1990, 42 U.S.C. 12101, et. seq., and all State and Federal regulations promulgated thereunder.
- Each bus will be equipped with a restroom. (except on Route 35 and 55 motorcoaches
- Each bus will be equipped with a trash receptacle.
- Each bus shall have storage space for passenger baggage.
- Each bus shall have storage space for bicycles.
- Each bus shall be climate-controlled with heating and air-conditioning.
- Each bus shall be equipped with an operable public address (PA) system.
- Each bus shall be legally licensed and/or registered as required by the California Public Utilities Commission (CPUC), the United States Department of Transportation, and all other regulatory agencies for the area in which the bus operates.

- All buses shall comply with the safety and operational standards established by the California Public Utilities Commission (CPUC), the United States Department of Transportation, and Amtrak.
- Buses may be held for late train or other bus connections when it does not impact upon Amtrak's scheduled bus turns and/or bus driver hours of service.

Assessments

Amtrak shall be assessed \$200 per incident for failure to meet any of the standards that have been established in the event Amtrak fails to correct noticed defects/failures within five (5) business days of notification of the perceived failure by CCJPA. Said notifications will be in accordance with Section 9 of the Agreement. Failures which are related to the safety of passengers shall be assessed \$400 per incident. CCJPA will waive any assessment if the reason for the assessment was beyond Amtrak's reasonable control.

For any undisputed amount, Amtrak will render a credit invoice to CCJPA within thirty days of receipt of the final monthly assessment letter. For any assessments that are disputed, the parties shall follow the process set forth in Section 4(h)(i) of the Agreement.

General

This Appendix II constitutes an integral part of the aforesaid Agreement. No change, modification, or amendment hereto shall be of any force or effect unless evidenced by a revised Appendix II to the Agreement.

APPENDIX III

NATIONAL RAILROAD PASSENGER CORPORATION

and

CAPITOL CORRIDOR JOINT POWERS AUTHORITY

AGREEMENT DATED 1 OCTOBER 2013
FOR THE PROVISION OF
RAIL PASSENGER SERVICE
* * * * *

FISCAL YEAR 2014
October 1, 2013 – September 30, 2014
(Effective October 1, 2013)

Pursuant to Section 3 of the aforesaid Agreement, CCJPA’s maximum obligation during fiscal year 2014 to reimburse Amtrak under the said Agreement shall not exceed Twenty-eight Million, Four Hundred and Twenty-One Thousand Dollars. Funds for the said purpose have been authorized and made available by CCJPA for fiscal year 2014 pursuant to the laws of the State.

The aforesaid aggregate amount is hereby allocated as follows:

San Jose/Sacramento/Auburn Route*	\$25,071,000
<u>CCRP**</u>	<u>\$ 3,350,000</u>
TOTAL	\$28,421,000

- * Includes:
- 1) Estimated \$14,626,000 for fuel and host railroad access fees to be reconciled against actual results per Section 3(a)(ii) of this Agreement.
- Excludes:
- 1) Amount of \$1,260,000 for Call Center Costs, subject to dispute resolution pursuant to the terms and conditions set forth in Appendix XVI.
- ** Includes:
- 1) Estimated railroad performance payments of \$3,000,000 to be reconciled against actual results per Section 3(a)(iii) the Agreement

on Performance Payment for Operation of Capitol Corridor trains between CCJPA, UP and Amtrak.

- 2) Reimbursement to Amtrak for Rolling Stock Insurance (RSI), representing CCJPA's estimated share of premium cost for RSI procured by Amtrak on behalf of the State of California;

The following is the Capitol Corridor Reinvestment Program (CCRP) showing the use of the fuel credits identified in Section 4(b) of the Agreement.

CAPITOL CORRIDOR REINVESTMENT PROGRAM (CCRP)

- As set forth in Section 4(b), unexpended fuel or host railroad access fees will be credited to the CCJPA CCRP and will be used for railroad performance payments per the Agreement on Performance Payment for Operation of Capitol Corridor trains between CCJPA, UP and Amtrak. Any remaining CCRP funds will be used at the CCJPA's sole discretion.

Minimum projected cost: \$3,350,000

This Appendix III constitutes an integral part of the aforesaid Agreement. No change, modification or amendment thereto shall be of any force or effect unless evidenced by a revised Appendix III.

APPENDIX IV

FAIR EMPLOYMENT PRACTICES ADDENDUM

1. In the performance of this Agreement, the Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, ancestry, sex*, age*, national origin or physical handicap*. The Contractor will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, religion, ancestry, sex*, age*, national origin or physical handicap*. Such action will include, but not be limited to the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation and selection for training, including apprenticeship. The Contractor shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by the State setting forth the provisions of this Fair Employment Practices section.

2. The Contractor will permit access to his records of employment, employment advertisements, application forms and other pertinent data and records by the State Fair Employment Practices Commission, or any other agency of the State of California designated by the awarding authority for the purposes of investigation to ascertain compliance with the Fair Employment Practices section of this Agreement.

3. Remedies for Willful Violation

(a) The CCJPA may determine a willful violation of the Fair Employment Practices provision to have occurred upon receipt of a final judgment having that effect from a court in an action to which Contractor was a party, or upon receipt of a written notice from the Fair Employment Practices Commission that it has investigated and determined that the Contractor has violated the Fair Employment Practices Act and issued an order under Labor Code Section 1426, which has become final or obtained an injunction under Labor Code Section 1429.

For willful violation of this Fair Employment Practices provision, the CCJPA shall have the right to terminate this Agreement either in whole or in part, and any loss or damage sustained by the CCJPA in securing the goods or services hereunder shall be borne and paid for by the Contractor and by his surety under the performance bond, if any, and the CCJPA may deduct from any moneys due or that thereafter may become due to the Contractor, the difference between the price named in the contract and the actual cost thereof to the CCJPA.

* See Labor Code Sections 1411 – 1432.5 for additional details.

APPENDIX V
NATIONAL RAILROAD PASSENGER CORPORATION
and
CAPITOL CORRIDOR JOINT POWERS AUTHORITY

AGREEMENT DATED 1 OCTOBER 2013
FOR THE PROVISION OF
RAIL PASSENGER SERVICE

FISCAL YEAR 2014
October 1, 2013 – September 30, 2014
(Effective October 1, 2013)

On-Time Performance Standards

Method of Measurement

Train performance (running time) will be measured in both directions daily for each scheduled train. Actual individual train running times will be recorded between the initial terminal and the final destination (terminal point) of each train.

Performance Calculation

Except as noted below, actual running times will be measured against the scheduled running times as described in the published Capitol Corridor timetables.

During each calendar month, records will be kept by CCJPA of the on-time performance of each Capitol Corridor train. Certain trips may be excluded from this calculation based on the section entitled “Delays Excluding Trains from Calculation”. Except as noted below, the current Capitol Corridor timetable will serve as the source against which actual departure and arrival times will be compared for purposes of on-time performance calculation.

Relievable Delays to Trains

Relievable delays are those for which Amtrak receives an allowance in on-time performance for a specific train for a documented number of minutes directly related to one of the causes below:

1. A general RECOVERY TOLERANCE of ten (10) minutes.
2. A SPECIAL SERVICES ALLOWANCE for handling customers requiring the use of the wayside wheelchair lift, with up to four (4) minutes allowed at intermediate stations per use of the lift.
3. An allowance of actual time consumed per SPECIAL EVENT stop on a scheduled train on the Capitol Corridor.
4. An allowance directly related to the amount of delay caused by RESTRICTIONS required by RIGHT-OF-WAY CONSTRUCTION and/or MAINTENANCE programs.
5. An allowance for time lost due to the ACTIONS, OMISSIONS, or OPERATIONS of the UNION PACIFIC.
6. An allowance of actual time consumed holding for bus connections that are beyond Amtrak's control.
7. Subsequent trains delayed by any items 2-6 in this section will be considered RELIEVABLE for the purposes of calculation.

There will be no other allowances or tolerances eligible as Relievable Delays. In addition, Amtrak shall have an affirmative obligation to mitigate delays to subsequent trains through every possible action it can take.

Delays Excluding Trains From Calculation

The following situations causing trains to be delayed or annulled due to circumstances beyond the control of Amtrak and or the CCJPA will result in the train being excluded from calculation for the entire trip. Excluded trains are:

- Trains delayed or annulled by the actions of civil authorities due to incidents involving the passage of trains,
- Trains delayed by action attributable to the railroad right-of-way owner which had not been discussed with Amtrak in advance,
- Trains making unscheduled stops due to acts of vandalism,
- Trains delayed or annulled by passenger/crew illness or injury,
- Trains delayed or annulled by force majeure,

- Trains delayed or annulled by FRA/PUC testing which includes stopping and/or operating at restricted speed due to signal compliance testing, and
- Trains delayed or annulled by the following major component failures:
 - Internal engine (prime mover) parts;
 - Main generator and bearings;
 - Traction motor bearings;
 - Truck frame;
 - Auxiliary generator bearings;
 - HEP generator bearings; and
 - Other failures beyond the reasonable control of Amtrak as agreed to by the parties.
- Subsequent trains delayed or annulled by any causes listed in this section.

Amtrak will have an affirmative obligation to mitigate delays to subsequent trains.

Calculation of Multiple Delays

In the event a train is delayed by multiple causes, the following should apply to the measurement of these delays:

1. Delays will be accumulated in the order in which they occur during the trip; and
2. When a trip is affected by both relievable and excludable causes, no assessment will apply if the total amount of relievable delays (including recovery) causes the trip to be considered on time.

Performance Assessments

Trains annulled prior to departure or annulled en route other than for the relievable delays described above or those services required under the RMTA will be assessed \$500 per occurrence. Trains departing from an initial terminal between six (6) and ten (10) minutes late due to problems other than for the relievable delays described above or those services required under the RMTA will be subject to an assessment of \$150. Each train departing from an initial terminal between eleven (11) and fifteen (15) minutes late due to problems other than for the relievable delays described above or those services required under the RMTA will be subject to an assessment of \$250. Each train departing from an initial terminal more than fifteen (15) minutes late other than for the relievable delays described above or those services required under the RMTA will be subject to an assessment of \$375. Each train delayed en route between eleven (11) and fifteen (15) minutes due to mechanical problems other than for the relievable delays described above or those required under the RMTA will be assessed \$150 per occurrence. Each train

delayed en route more than 15 minutes due to mechanical problems other than for the relievable delays described above will be assessed \$375 per occurrence.

Assessments will be imposed for each delayed train. Each train not meeting the standard of on-time (ten minutes or less of scheduled arrival time) will be subject to an assessment after the delay is adjusted by minutes relieved or excluded as shown above in the sections entitled "Relievable Delays to Trains" or "Delays Excluding Trains from Calculation". Each train that is late between eleven (11) and fifteen (15) minutes will be subject to an assessment of \$275. Each train that is late between sixteen (16) and twenty-five (25) minutes will be subject to an assessment of \$375. Each train that is more than twenty-five (25) minutes late will be subject to an assessment of \$450.

Trains subject to assessment due to mechanical problems shall be charged the higher assessment for either mechanical delays or delays exceeding the standard but not both.

Payment of Assessments

For any undisputed amount, Amtrak will render a credit invoice to CCJPA within thirty days of receipt of the final monthly assessment letter. For any assessments that are disputed, the parties shall follow the process set forth in Section 4(h)(i) of the Agreement.

APPENDIX VI

NATIONAL RAILROAD PASSENGER CORPORATION

and

CAPITOL CORRIDOR JOINT POWERS AUTHORITY

AGREEMENT DATED 1 OCTOBER 2013
FOR THE PROVISION OF
RAIL PASSENGER SERVICE

FISCAL YEAR 2014
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(Effective October 1, 2013)

Standards for Employee Conduct and Revenue Collection

Employee Conduct

Nothing herein shall require Amtrak to perform any service or to take any action that would violate any term or condition of any labor agreement between Amtrak and any organization representing Amtrak's employees or any other agreement applicable to Amtrak.

All Amtrak employees/subcontractors exclusively engaged in the provision of Capitol Corridor Service shall perform their duties in a safe, courteous, and efficient manner. Employees dealing with the public shall be clean and properly attired while on duty. Because of the importance to the success of the Capitol Corridor Service of the courtesy and proper decorum of the employees the parties consider any conduct which is not consistent with the previously stated objective to be "conduct unbecoming an employee". Examples of conduct unbecoming an employee shall include but not be limited to the following:

- Any instance of use of language that is obscene, risqué or religiously, ethnically or sexually demeaning;
- Any instance of belligerent or malicious behavior toward a customer or another employee;
- Repeated instances of littering of rolling stock, station areas or any other part of the service property;
- Repeated instances of willful failure to assist customers;

- Willful or negligent conduct resulting in damage to, or the degradation of State-provided equipment;
- Rule violations as defined by Amtrak's Operating Rules governing train and engine crews;
- Repeated violations of operating policies mutually agreed to by the CCJPA and Amtrak, or to Amtrak's "Standards of Excellence" governing on-board service crews;
- Repeated instances of snacking, smoking, reading, listening to the radio or other non-Amtrak provided audio devices or watching or listening to television while on duty.

If requested by the CCJPA, Amtrak will, in accordance with the provisions of the applicable collective bargaining agreement, initiate disciplinary proceedings against employees providing Capitol Corridor service for matters regarding conduct unbecoming an employee. Such disciplinary proceedings will include removing the employee from service pending a disciplinary hearing after two formal conduct unbecoming warnings initiated by either the CCJPA or Amtrak. If the charges are sustained, Amtrak will impose appropriate discipline. If the charges are not sustained, the employee will be returned to service.

The CCJPA will bear the cost of lost wages for employees held out of Capitol Corridor service when, (a) the CCJPA initiated the charge, and (b) an arbitrator rules the discipline assessed was excessive and awards back pay for the lost time.

Subject to a joint CCJPA/Amtrak investigation and verification, failure of any Amtrak employee to abide by the standards described above will result in an assessment against Amtrak of \$250 per incident or failure. Applicable assessments shall be deducted from Amtrak's monthly compensation otherwise due under this Agreement.

Revenue Collection

Amtrak personnel responsible for collection of revenues and verification and/or collection of fare instruments from passengers shall use all best efforts to ensure such collection/verification.

Subject to a joint CCJPA/Amtrak investigation and verification, the failure of any Amtrak employee responsible for revenue collection/fare verification to perform such duties unless otherwise prevented from performing such duties for reasons beyond their control will result in an assessment against Amtrak of \$225 per incident. For any undisputed amount, Amtrak will render a credit invoice to CCJPA within thirty days of receipt of the final monthly assessment letter. For any assessments that are disputed, the parties shall follow the process set forth in Section 4(h)(i) of the Agreement.

APPENDIX VII

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Train Rolling Stock Availability and Serviceability Standards

Equipment to be furnished by Amtrak

Consistent with the train timetables in force as of the effective date of this Agreement, Amtrak will supply to the CCJPA eight (8) equipment sets of serviceable rolling stock each day for train operations consistent with an agreed upon consist plan. Each equipment set will generally include one (1) locomotive, one (1) bi-level café car (equipped with an operational GPS PIDS transponder), one (1) bi-level cab car and two (2) to three (3) bi-level trailer cars. The consist plan will identify each equipment set, its daily use for specific train numbers, and the equipment required.

Serviceability

All equipment provided by Amtrak for train operations shall be serviceable. All FRA requirements applying to serviceability of locomotives and cars shall be met. Locomotives shall be properly fueled with prime mover, HEP and control systems operating as intended. All cab cars and café cars shall be clean with all equipment working as intended. Trash receptacles (including designated recycling receptacles) shall be empty. All heating, ventilation and air-conditioning systems shall be operating properly. All car doors and interior lights shall be in working order and all public address systems shall work properly. All automated exterior and interior train identification and destination signs shall be utilized. All bathrooms shall be serviced and operable, and all lavatory supplies provided. All café cars will be adequately stocked with food, beverages and other items identified in the menu and as such the assigned pars will be re-stocked at the first available opportunity. The equipment shall contain no broken windows or other

appurtenances when dispatched from Oakland. No train shall be dispatched with observable safety hazards.

The standard size of the onboard crews for any Capitol Corridor train in revenue service shall be a minimum of one engineer, one food service attendant and one but no more than two conductors. An automated report will be generated for the CCJPA if the crew size for any train will be larger or smaller than the aforementioned onboard crew size standard. The expenses for the additional crew(s) for train service shall be provided from the Extra Board, of which such expenses will be included within the budget set forth and agreed to by the parties in Appendix III. Any expenses for any additional onboard crews not requested by the CCJPA that exceed the agreed-to budget shall be borne by Amtrak.

Revisions

CCJPA may request changes to the agreed upon consist plan and crew sizing for specific events or holidays by giving notice to Amtrak no less than ten (10) business days in advance. Amtrak shall respond to such requests within five (5) business days and shall not unreasonably withhold its approval. An approved change shall be treated as a new consist plan.

Assessments

Amtrak shall be assessed \$200 per incident for failure to furnish an equipment set or portion of an equipment set required for service with the minimum equipment as defined in the consist plan. A failure to adhere to an agreed upon change in the consist plan will be assessed \$250 per incident.

Amtrak shall be assessed \$225 per incident for failure to meet any serviceability requirement. Failures which are related to the safety of passengers shall be assessed \$350 per incident.

CCJPA will waive any assessment if, in CCJPA's sole judgment, the reason for the assessment was beyond Amtrak's reasonable control.

For any undisputed amount, Amtrak will render a credit invoice to CCJPA within thirty days of receipt of the final monthly assessment letter. For any assessments that are disputed, the parties shall follow the process set forth in Section 8.2 of the RMTA.

APPENDIX VIII

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Required Reports

1. Annually
 - a. By December 15, a final financial reconciliation of the previous fiscal year.
 - b. By March 31, an estimate of the annual budget for the coming fiscal year that identifies train and bus operating expenses, train and bus revenues, project expenses, equipment insurance expenses, operating loss, funding requirements for CCJPA and Amtrak, and other expenses, passengers and passenger miles.
2. Monthly (within 20 days of the end of the month)
 1. Ridership and transportation revenue report
 - a. City pair data
 - b. Amtrak System Ridership – Month and FY YTD
 - c. Monthly Smart Pass
 - d. Train Ridership and Revenue: Current; Prev Yr; Change vs. Prev Yr
 - e. Discounted Riders
 - f. Station Ridership and Revenue
 - g. Station Ons/Offs by Ticket Type
 2. On-time performance (OTP)
 3. OTP by Route and by Train
 4. Sacramento ground power usage report
 5. Invoice Data
 6. Customer Satisfaction (CSI)
 - a. CSI Capitol Corridor
 - b. CSI SAC station
 - c. CSI MTZ station
 - d. CSI EMY station
 - e. CSI OKJ station
 - f. CSI SJC station

7. Train miles
 8. Passenger miles
3. Daily (by 9:00 a.m. next day)
 - a. Report on previous day's operations, including: on-time performance, cause of delays, slow orders, unusual incidents, and other service delays available via Arrow or through the morning report automatically generated and distributed via the Arrow printer.
 - b. Report on previous day's ridership and related data captured from Conductor EMDs made available via an automated monthly report updated daily.
 4. Immediately (as soon as possible)
 - a. Any incident that will result in a delay of 15 minutes or more.
 - b. Any police actions brought to the attention of Amtrak along the corridor that will result in a delay of 15 minutes or more.
 - c. Any FRA reportable injuries to passengers, employees or members of the public.
 - d. Serious delays affecting service regardless of cause.
 - e. Serious mechanical problems which affect service.
 5. Once available
 - a. Upon Amtrak's development of a revised Food & Beverage report that includes information on spoilage, and the acceptance of that report format by the State Working Group, Amtrak will add the aforementioned report to the CCJPA's monthly performance report.

Assessments

Reports not furnished as required will result in an assessment of \$75 per business day in the event Amtrak fails to correct the noticed failure within five business (5) days of notification by CCJPA.

For any undisputed amount, Amtrak will render a credit invoice to CCJPA within thirty days of receipt of the final monthly assessment letter. Assessment letter drafts shall be submitted no later than 30 days past the end of the month in question. For any assessments that are disputed, the parties shall follow the process set forth in Section 4(h)(i) of the Agreement.

APPENDIX IX

NATIONAL RAILROAD PASSENGER CORPORATION

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Customer Satisfaction

The CCJPA shall secure information on Amtrak Customer Satisfaction by surveying customers about Amtrak's performance in carrying out its station and on-board responsibility as part of its overall Customer Satisfaction Survey Program at six (6) month intervals. Results of the survey will be used by Amtrak and the CCJPA to identify any deficiencies in service and for developing plans for improvement. The CCJPA shall bear all of the costs of developing, carrying out and analyzing the survey. Amtrak shall cooperate with the CCJPA in carrying it out.

Administration

The survey shall be administered by the CCJPA at six-month intervals with the initial survey conducted within four (4) months of the effective date of this Agreement. The targeted sample group for each survey will consist of, at least, 500 responses, but not less than 400 completed questionnaires. In the event the response rate is less than 400, the parties will reexamine the process to ensure future surveys result in 400 responses.

Questionnaire

The survey questionnaire will include at least eighteen (18) Amtrak Questions including seventeen (17) specific questions and one (1) summary question. Only the seventeen questions will be tabulated. The initial stated questions are included in Exhibit IX-1, hereto. All questions will be considered of equal importance and the final calculated average will be determined by dividing the numeric score for all questions answered by the number of questions answered (excluding questions answered "NA"). Only questionnaires with 10 or more questions answered (including questions answered "NA") will be considered in determining the average.

In the event that answers given by customers to any Amtrak Questions are considered to be a result of ambiguous questions or appear to be based on conditions that are outside the control of Amtrak, the CCJPA and Amtrak will jointly review the question with the intention of clarifying the question in order to more accurately reflect the goal of measuring the quality of Amtrak's performance.

Recounts

The CCJPA will be responsible for all recounts. Recounts may be required in the event of significant service disruption (fatality, construction projects, and other uncontrollable events), or if an insufficient number of survey responses is secured.

Review by Amtrak

The CCJPA will be responsible for maintaining records that will allow a full accounting and provide adequate internal control of all processes associated with the questions in the Survey of Customer Satisfaction. This will include sequential numbering of the questionnaires distributed, reporting of sequential numbers returned and counted in the final determination, listing by number of those questionnaires not returned or returned and considered incomplete.

Upon receiving the results of the questions in each Survey of Customer Satisfaction, Amtrak shall prepare and submit to the CCJPA a remediation plan for each area identified by customers within Amtrak's area of responsibility that are less than satisfactory.

EXHIBIT IX-1
CUSTOMER SATISFACTION SURVEY

		Very Dissatisfied				Very Satisfied	Not Applicable	Comment
1.	Cleanliness of stations:	1	2	3	4	5	NA	
2.	Availability of printed material (schedules/maps, etc.) at stations:	1	2	3	4	5	NA	
3.	Friendliness/helpfulness/professional appearance of station personnel:	1	2	3	4	5	NA	
4.	Efficiency of your ticket transaction(s):	1	2	3	4	5	NA	
5.	Being informed of delays that exceed ten minutes:	1	2	3	4	5	NA	
6.	Functioning of lights at stations:	1	2	3	4	5	NA	
7.	Your sense of personal security while at the station:	1	2	3	4	5	NA	
8.	Everything considered, how would you rate your experience at the Capitol Corridor station where your trip began?	1	2	3	4	5	NA	
9.	Friendliness/helpfulness/professional appearance of the conductors:	1	2	3	4	5	NA	
10.	Availability of schedules and special event notices on board the train:	1	2	3	4	5	NA	
11.	Friendliness/helpfulness/professional appearance of the food service personnel:	1	2	3	4	5	N/A	
12.	Cleanliness of train exteriors:	1	2	3	4	5	NA	
13.	Overall cleanliness of train interiors.	1	2	3	4	5	NA	
14.	On-board restrooms – cleanliness & odor control:	1	2	3	4	5	NA	
15.	Adequacy and clarity of routine on-board announcements:	1	2	3	4	5	NA	
16.	Your sense of personal security while on the train:	1	2	3	4	5	NA	
17.	Everything considered, how would you rate your on-board experience on the Capitol Corridor Service?	1	2	3	4	5	NA	
18.	Considering both your station and on-board experience, how would you rate your overall experience?	1	2	3	4	5	NA	

APPENDIX X
NATIONAL RAILROAD PASSENGER CORPORATION
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Standards for Maintenance of Stations

Amtrak is responsible for the maintenance and repair of stations serving Capitol Corridor trains (with the exception of parking and associated facilities such as lighting, utilities, etc.) listed in Exhibit X-1, hereto. Standards for the maintenance and repair of the stations listed in Exhibit X-1 are set forth in Exhibit X-2, hereto. Failure by Amtrak or its designated contractors to perform to the standards in Exhibit X-2 and to correct noticed defects/failures within five (5) business days of notification will result in an assessment of \$150 per incident per business day, unless expressly waived or modified by CCJPA due to extenuating circumstances beyond the reasonable control of Amtrak.

CCJPA may give notice to Amtrak of performance failures/defects either verbally or in writing. If verbal notice is provided, CCJPA shall provide subsequent written confirmation to Amtrak of such notice within five (5) business days of verbal notification. All written notices by CCJPA shall include:

1. Reference to specific Agreement Standard(s);
2. Nature of specific failure(s) or defect(s); and
3. Such other information in the possession of CCJPA that may assist Amtrak in verifying and/or correcting noticed failures/defects.

Amtrak shall be responsible for notifying CCJPA, verbally or in writing, of the date(s) of correction to noticed failures/defects. If such notice is provided verbally, written

confirmation will be provided by Amtrak within five (5) business days of such verbal notification.

For any undisputed amount, Amtrak will render a credit invoice to CCJPA within thirty days of receipt of the final monthly assessment letter. For any assessments that are disputed, the parties shall follow the process set forth in Section 4(h)(i) of the Agreement.

EXHIBIT X-1

Staffed Stations to be maintained by Amtrak

1. Sacramento
2. Davis
3. Martinez
4. Emeryville
5. San Francisco
6. Oakland
7. San Jose
8. Reno – Capitol Corridor Buses Stop at this Station

Unstaffed Stations to be maintained by Amtrak

1. Auburn
2. Rocklin
3. Roseville
4. Suisun-Fairfield
5. Richmond
6. Berkeley
7. Oakland Coliseum
8. Hayward
9. Fremont-Centerville
10. Santa Clara-Great America
11. Santa Clara University

EXHIBIT X-2

A. GENERAL CONDITIONS

1. Staffed stations and platforms shall be maintained daily to appear neat and clean.
2. Public waiting rooms and restrooms are to be cleaned and serviced at the end of each day they are open and available for employee and public use.
3. The station areas must be kept free of dangerous and hazardous materials such as broken glass, bottles and cans or other materials, which could be a threat to public health or safety.

B. JANITORIAL (Staffed Stations Only)

1. Amtrak shall furnish all labor, tools, materials and equipment necessary to perform required janitorial services.
2. Amtrak shall furnish all restroom paper supplies including seat covers, toilet paper and paper towels.
3. Public/employee restrooms are to be cleaned and serviced at the end of each day they are open and available for public use.
 - Replenish restroom paper supplies
 - Clean and sanitize sinks, toilets and urinals
 - Damp mop floor
 - Spot clean walls and remove graffiti
 - Clean mirrors
 - Fill soap dispensers
 - Empty trash containers and install new plastic bags
 - Clean all chrome fixtures
4. Deep cleaning of public/employee restrooms shall be performed quarterly including:
 - Scrub and disinfect restroom floors
 - Wash down and disinfect walls, partitions and doors

5. Public waiting areas (interior and exterior) are to be cleaned and serviced at the end of each day they are open and available for public use.
 - Sweep floor, spot clean with damp mop as necessary
 - Wipe down benches with damp cloth
 - Wipe down and disinfect all phones
 - Remove graffiti
 - Empty trash receptacles, ashtrays and install new liners, clean top of trash receptacles
 - Clean drinking fountain
 - Wipe down counter in front of ticket window
 - Clean up spills and bird droppings
6. Deep cleaning of public waiting areas shall be performed monthly (except as otherwise noted), including:
 - Scrub, strip and wax interior floors (quarterly or as mutually agreed upon)
 - Wash walls and doors to six (6) feet above floor
 - Wash windows inside and out (quarterly or as mutually agreed upon)
 - Clean window blinds if installed (interior only)
7. Ticket agent area (behind ticket counter) is to be cleaned and serviced at the end of each day used.
 - Sweep floor and/or vacuum carpet
 - Empty trash containers, install new liners as necessary
 - Dust work surfaces
 - Clean glass on ticket agent counters
8. Deep cleaning of ticket agent area shall be done monthly, including:
 - Shampoo carpet
 - Wash windows inside and out
 - Spot clean walls
 - Clean window blinds if installed (interior only)
 - Polish work surfaces (schedule with ticket agent to clear surfaces)

C. SHELTER AND WAITING AREA MAINTENANCE

1. Stations and waiting areas are to be maintained in a safe and sanitary condition at all times. Unusual or extreme situations will be corrected immediately.

2. For all staffed stations pressure wash the floor and wall areas to three (3) feet above floor level quarterly or as mutually agreed.
3. For all staffed stations wipe down seating area, spot clean glass, and remove litter three (3) days per week.
4. For all staffed stations pressure wash entire shelter, clean gutters, and clean all glass inside and out monthly or as mutually agreed.
5. For all staffed stations for outside waiting areas, pressure spray the cement/asphalt surface quarterly or as mutually agreed and wipe down seating once per week or as mutually agreed.
6. For all staffed stations repair damaged shelters or seating areas. Arrange for same day emergency repair if determined necessary by Amtrak or the CCJPA.

D. TRASH REMOVAL

1. For all staffed stations empty all trash containers daily. Remove trash from station.
2. Keep trash containers in good condition and replace damaged containers as necessary.
3. For all staffed stations wipe down covers and lid of trash containers daily to keep them clean and in sanitary condition.
4. Add trash containers as requested and funded by the CCJPA to serve the needs of each station.
5. For all staffed stations monitor newspaper-recycling containers. Notify recycle container provider to empty as necessary.

E. LIGHTING

1. Amtrak shall be responsible for lighting maintenance, replacement and repair. This includes interior and exterior station lights. Amtrak will furnish all lamps.
2. Amtrak will respond within three (3) days to replace interior lights in occupied station areas.

3. Amtrak shall keep all timers and sensors in good operating condition so that lighting is available from sunset to sunrise. Lower light levels during non-service hours are permitted if the station is suitably wired.
4. Amtrak shall repair or replace lamps as necessary or when requested by the CCJPA to maintain public safety standards.

F. PLATFORMS, CROSSWALKS, AND RAIL TRACK AREAS

1. Platforms and crosswalks shall be kept clean and free of litter, spilled food and other debris.
2. Rail track areas in the stations shall be kept free of litter, paper and weeds.
3. Existing platform striping and painted instructions shall be maintained by Amtrak.
4. Platforms and crosswalks shall be kept in a state of good repair. Asphalt or concrete surface failure will be corrected as soon as disclosed.

G. SIGNAGE AND SIGN BOARDS

1. All signs in the station area must be washed and wiped clean monthly.
2. Graffiti on signs and sign boards is to be removed within one (1) week.
3. Illuminated signs must be kept in good working condition.
4. Amtrak will make every effort to replace signs damaged by vandals or automobiles within one (1) week. Amtrak may place a temporary sign while a permanent replacement is procured and installed.

H. PAINTING

1. Painting services to be performed by Amtrak shall include both exterior and interior painting and preparation in accordance with CCJPA standards, subject to a service limit of \$1,000 per project or occurrence, graffiti painting excepted.
2. Amtrak shall paint over graffiti as necessary (See Section N, Graffiti, for removal requirements). There is no service limit for graffiti removal.
3. For historical stations, Amtrak must match existing color.

I. PLUMBING

1. Services to be performed by Amtrak include the maintenance and/or replacement of toilets, urinals, sinks, drinking fountains, sump pumps, and related plumbing equipment and fixtures.
2. All clean outs will be routed out quarterly (January, April, July and October).
3. Storm water catch basins and outflow lines will be maintained and routed out as necessary.
4. Amtrak shall snake clogged sewer lines as necessary.

Amtrak shall not be responsible for the repair or replacement of underground water or sewer lines, which cannot be visually inspected and maintained.

J. LOCKSMITH SERVICES

1. Amtrak will maintain the existing security system, supply keys, and provide locksmith services as required.
2. Amtrak will maintain a padlock system for equipment and utility boxes at stations. Locks and keys will be furnished by Amtrak.

K. GLASS

1. Amtrak shall be responsible for replacement of glass in station buildings and shelters.
2. Broken glass shall be replaced by the end of the next business day following notice to/by Amtrak. It is recognized by both parties that in some circumstances it may not be possible to meet the agreed upon time frame and CCJPA will grant a waiver for such circumstances that are beyond the reasonable control of Amtrak. Amtrak shall take the necessary steps to board up windows or otherwise protect station property and the public safety when windows are broken.

L. PEST CONTROL – PIGEON CONTROL

1. Amtrak shall provide pest control at staffed stations as needed.

2. Amtrak shall provide pigeon control services as needed.

M. ELECTRICAL

1. Except as noted in (2), below, Amtrak shall be responsible for the general maintenance, repair and replacement of electrical equipment and systems at all stations, including rewiring and retrenching as necessary.
2. Amtrak shall not be responsible for any replacements, rewiring, and/or retrenching costing in excess of \$2,000 per station per year.

N. GRAFFITI

1. The CCJPA has a zero-tolerance policy regarding graffiti. Amtrak shall remove all graffiti within five (5) days following notice to/by Amtrak. It is recognized by both parties that in some circumstances it may not be possible to meet the agreed upon time frame and CCJPA will grant a waiver for such circumstances that are beyond the reasonable control of Amtrak.

O. GENERAL CONTRACTING

1. Amtrak will be responsible for general contracting activity including, but not limited to:
 - Roof repair to stop water leaks and/or replace missing roof covering material
 - Door and window repair and replacement
 - Miscellaneous carpentry
2. Amtrak shall not be responsible for roof replacement or general space remodeling.

P. PUBLIC ADDRESS SYSTEMS

Current public address systems at stations shall be maintained, repaired and/or replaced as necessary and performance checked daily to insure proper functioning of the system at all times. Needed repairs/replacement must be completed within two (2) business days. It is recognized by both parties that in some circumstances it may not be possible to meet the agreed upon time frame and CCJPA will grant a waiver for such circumstances that are beyond the reasonable control of Amtrak.

APPENDIX XI

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Agreed 209 Methodology

PRIIA Section 209 Cost Methodology Policy

~~August 31, 2011~~

~~*Final Version*~~

November 20, 2012

Corrected Version

Note: Periodic review of the APT system revealed a calculation error on the Central Division T&E Additive in the August, 31, 2011 version. The figure has been corrected in red in Appendix E on page 15.

Prepared for PRIIA 209 States and Other Interested States by
The States Working Group (SWG) and Amtrak:

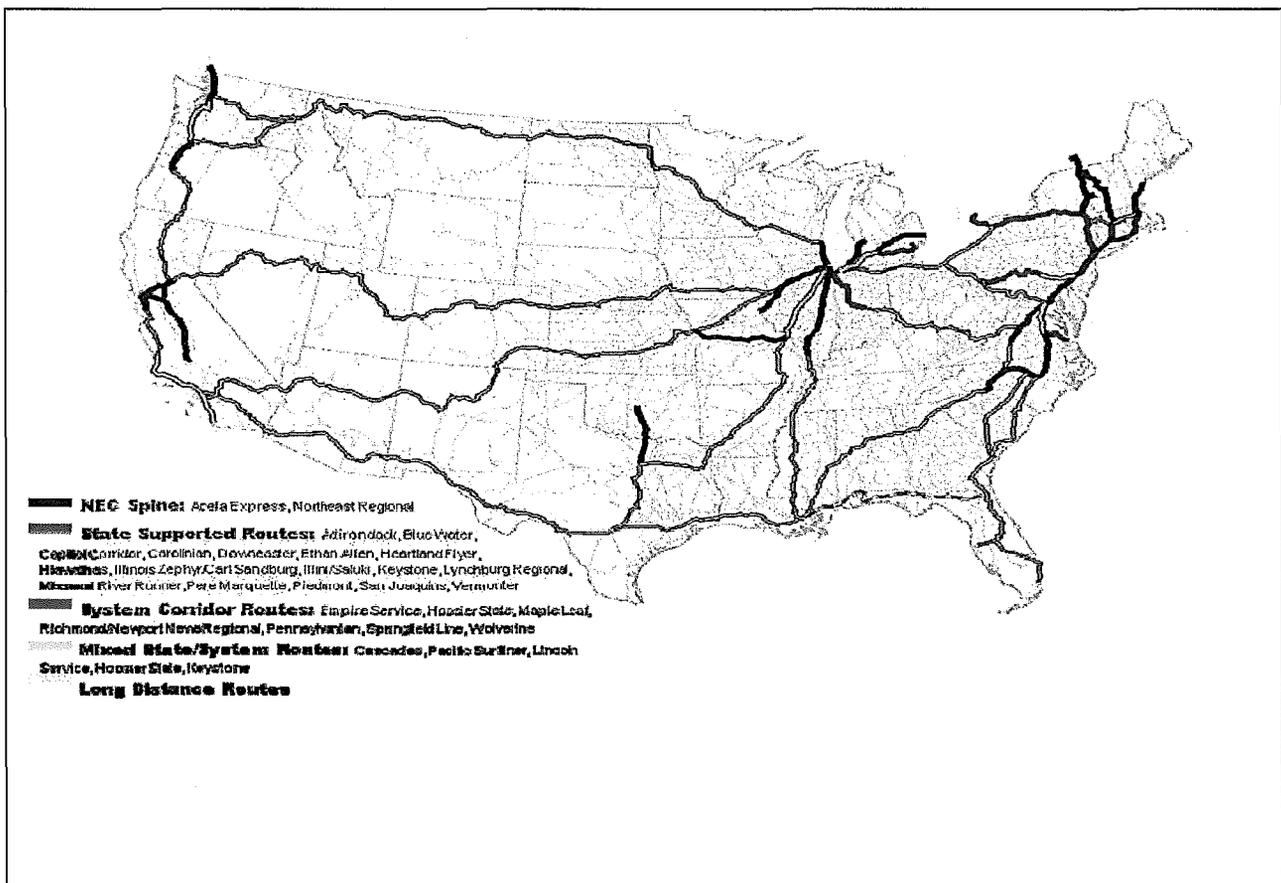
**Passenger Rail Investment and Improvement Act (PRIIA) of 2008
Section 209 Cost Methodology Policy**

Recommended by the State Working Group (SWG) and Amtrak Staff¹

FINAL VERSION 8/31/11

Overview

Under the provisions of PRIIA Section 209, all short-distance Amtrak corridor services must become state-supported routes and states must pay the proportional costs associated with their respective corridor route. This document describes the “single, nationwide standardized methodology for establishing and allocating the operating and capital costs among the States and Amtrak.” This methodology applies to services provided by Amtrak over routes “of no more than 750 miles between endpoints,” as described in section 24102(5)(B).



¹ Members of SWG-Amtrak group include: John Bennett, Stephen Gardner, Shayne Gill, Susan Howard, Max Johnson, David Kutrosky, Beth Nachreiner, Kevin Page, Patricia Quinn, and Patrick Simmons

Appendix A provides a list of affected routes; **Appendix B** provides the text of Section 209 and related statutes. Currently, approximately 36 of the total 110 corridor routes are either partially or completely supported by Amtrak. Once Section 209 is implemented, all such corridors routes will be priced in a transparent, fair and equitable manner. Amtrak and states were charged with collaboratively creating a cost methodology to establish a basis for sharing operating costs plus an annual capital charge for Amtrak-owned equipment and facilities used for intercity passenger rail service.

This policy statement outlines the methodology Amtrak will use to compute:

- operating expenses for routes using a formulation that defines direct route costs and associated additives, and
- capital charges for the use of Amtrak-owned assets.

The Amtrak Performance Tracking (APT) system – Amtrak’s recently-implemented cost accounting system, that is linked to Amtrak’s financial and operating systems -- provides the cost basis that the SWG and Amtrak used to evaluate options for assigning service area route costs.

The Federal Railroad Administration (FRA) met with the SWG and Amtrak to address the issue of transition assistance to the states during the phase in of the new methodologies for route and capital costs. This policy outlines clearly that states are responsible for the costs associated with the new capital charge. However, the FRA recognizes that states will face a financial burden as they implement the new cost-sharing approach. While the details of transition assistance have not been fully developed, the FRA has committed to working with the states and Amtrak on transition assistance.

Basis for Allocating Costs

Many railroad costs—both costs directly related to the services provided and those shared among services—are by their nature provided through jointly used crews, crew bases (locations where train crews report for work), support teams/facilities, maintenance facilities, and stations. As such, cost allocation methods and procedures are needed to fairly apportion these costs. The Amtrak Performance Tracking (APT) system will provide the basis for allocating “to each route the costs incurred only for the benefit of that route and a proportionate share, based upon factors that reasonably reflect relative use, of costs incurred for the common benefit of more than one route”.

In some cases, Amtrak and states may agree to use supplemental financial data to adjust the results of APT, including, but not limited to, local systems for measuring fuel consumption that are not available nationally. Pursuant to part (b) of Section 209, if changes to Amtrak’s financial systems result in a material change to the results of APT, Amtrak will work with its state partners to update this policy in a manner consistent with the intent of Section 209.

Operating Scenarios

State-supported routes are classified into three operating scenarios:

Single State Corridor Trains. These corridor trains do not cross state lines and do not use the NEC “spine” (Boston-Washington).

Multi-State Corridor Trains. For corridor trains that cross state lines but do not use the NEC “spine” (Boston-Washington), the states on the train route shall develop an equitable method for sharing the costs

and revenues from the trains. Amtrak will provide the affected states with information to assist in reaching agreement.

Base-Increment NEC Corridor Trains (Single- and Multi-State). In Section 209, the Northeast Corridor (NEC) is defined as “the continuous Northeast Corridor railroad line between Boston, Massachusetts and Washington, District of Columbia” in section 24102(5)(B). Trains having some part of their route both on the NEC and on a state-supported corridor are considered Base-Increment trains. In the case of base-Increment NEC corridor trains, APT allocates costs between the state leg and the NEC leg for accounting purposes in various ways. The allocation explanations for specific expenses are described in the APT documentation available on the FRA website, both in summary in the Main report and in detail in Appendix A.

The following general conditions apply to Base-Increment trains:

- Route Costs (defined below) common to both legs are prorated based on whether costs are incurred on the state leg or on the NEC. For instance, turnaround servicing is allocated by train miles on the NEC and state leg. Non-turnaround maintenance is allocated by both time and mileage-based statistics prorated for the amount of time a train spends on either the NEC or the state leg.
- Trains that travel through multiple states off the NEC shall develop a mutually agreeable method for sharing the costs and revenues of the trains.
- “Through revenue” is revenue from trips with one endpoint on the NEC and one endpoint on the state-supported leg. Through revenue will be credited to the state in one of two ways, to be determined by the state and established in the agreement:
 - Passenger Mile Split. Through revenue will be split between the state and Amtrak proportionate to miles traveled off and on the NEC. Under this method, Amtrak is responsible for all operating and capital costs when the train is on the NEC leg. Capital charges for equipment will be split between the state and Amtrak reflecting service both on and off the NEC, allocated based on the time-based Units Used statistic. Capital charges for fixed assets will be for the state leg only.
 - Through Revenue Plus Passenger Mile Charge. States will continue to be charged costs for the state leg as described above. Through revenue will be credited to the state, along with a charge per passenger mile for the costs of through riders traveling on the NEC. This per passenger mile charge will represent the state’s share of Amtrak’s:
 - Fully allocated NEC operating costs, as pro rated by all available Amtrak Northeast Regional seat miles;
 - Equipment capital overhaul costs, as pro rated by all available Amtrak Northeast Regional seat miles
 - Fully allocated fixed asset Normalized Replacement capital costs as defined in **Appendix C**, pro rated by all available Amtrak NEC seat miles; and
 - 20% of any fixed asset State of Good Repair Backlog capital costs as defined in **Appendix C**, pro rated by all available Amtrak NEC seat miles.

These charges will be fixed for the term of the contract between the state and Amtrak and applied against actual passenger miles. However, this through revenue policy may be amended by Amtrak and the affected states if the outcome of the PRIIA Section 212 cost allocation process requires changes to this policy.

In addition to the operating scenarios described above, some state-supported routes travel for part or all of the entire route on right-of-way owned by Amtrak outside the NEC; these routes are described in **Appendix D**. In these situations, Amtrak will remove the maintenance of way expenses for these segments as allocated in APT, and replace them with a synthetic host railroad charge. This charge is consistent with the costs that are typically charged to Amtrak by host railroads for incremental operating and maintenance. For right of way that Amtrak purchases or assumes maintenance responsibility for not listed in **Appendix D**, Amtrak and the state will negotiate such maintenance and related charges on a case-by-case basis.

Methodology for Determining Operating Costs

Under the proposed S209 Methodology, the Service Fee will include:

- 100 percent of the “Third Party Costs” associated with its corridor service;
- 100 percent of the verifiable Route Costs associated with its corridor service;
- Support Fees proportional to its corridor service; and,
- Credit for passenger and other allocated revenue, resulting in the Net State Cost.

Third Party Costs:

Actual Third Party Costs will be charged to the state corridors. Third Party Costs are comprised of:

- Host railroad maintenance of way;
- Host railroad performance payments; and
- Fuel and power charges.

Route Costs:

Route Costs are operating costs closely associated with the operation of a route. Route Costs can clearly be evaluated and tracked by Amtrak and the states in the direct provision of service on a corridor train. Route operating costs include the following categories as allocated by the APT system:

- Train and engine crew labor
- Car and locomotive maintenance and turnaround service
- On Board Service Labor and provisions (Food Service)
- Route Advertising,
- Sales & Distribution
- Reservations and Call Centers
- Route Stations
- Shared Stations
- Commissions
- Customer Concession
- Connecting Motor Coach
- Local & Regional Police
- Block & Tower operations
- Terminal Maintenance of Way
- Insurance

Support Fees:

Some cost categories have an additional level of regional and national support not included in the Route Costs, and therefore also include Support Fees that are proportional to the service provided. Support Fees are determined by applying category-specific additives to an associated route cost or other aspect of service, (i.e. revenue or passenger miles). These additives were developed by converting support cost data from the APT system into rates that would be consistent across all trains in a region, or in some cases, all state-supported trains.

For example, Amtrak provides mechanical support, facilities and services that can reasonably be apportioned between Amtrak's business lines – the Northeast Corridor (NEC) trains, long-distance trains and state-supported trains. The Maintenance of Equipment (MoE) support fee represents the portion of those costs allocated to state-supported trains and is determined by applying an additive rate to the Car & Locomotive Maintenance and Turnaround route cost.

There are six categories of Support Fees are determined as follows:

- Train & Engine Crew Support (T&E): A combination of system and division additives applied to Train & Engine Crew Labor route costs. All corridors will be charged a system additive which is fixed (12.9 percent) and a division additive which is variable (13.5-24.3 percent). The division additive is based on the Amtrak region in which the corridor operates and is linked to the management structure within Amtrak that is responsible for service delivery by train crews. The T&E system additive rate excludes costs from Amtrak's Consolidated National Operations Center (CNOC), which are considered a "backbone" cost.
- Maintenance of Equipment (MoE): A fixed system additive (27 percent) applied to the Car & Locomotive Maintenance and Turnaround Route Cost. The MoE additive rate excludes backshops and fleet engineering costs, which are considered a "backbone" cost.
- On Board Services (OBS): A fixed system additive (10 percent) applied to the OBS Crew & Provisions Route Cost.
- Marketing: A variable regional additive (1.9 - 2.8 percent) applied to total revenue. The marketing additive is based on the degree to which a state corridor is connected to the NEC or to a major Amtrak hub station. Corridors that fall into those categories will have a higher additive associated with Amtrak's higher level of shared marketing in those regions.
- Police: A fixed system additive (\$.005) applied to passenger miles.
- General & Administrative: A fixed system additive (2 percent) applied to Total Route Costs.

The additive rate will remain the same for three years beginning October 2012, unless there is a significant unforeseen event, such as a significant decrease in Amtrak's Federal funding or a significant change to the size of Amtrak's network. A change in the additive rate during the three-year term must be approved by Amtrak and the states. At the end of the three year period, Amtrak will propose adjustments to the additive rates if they are necessary. States and Amtrak must mutually agree on additive rate adjustments.

The table below illustrates the S209 Operating Cost Pricing Methodology. The definitions of cost categories and additives are described in more depth in **Appendix E**.

S209 Operating Cost Pricing Methodology

ROUTE COSTS	+	SUPPORT FEE	=	OPERATING COSTS
Train & Engine Crew Labor		<i>T&E Route x (Division Additive* + System Additive (12.9%))</i>	=	Total Train & Engine Crew Labor
Car & Locomotive Maintenance & Turnaround	+	<i>Car & Loco Route Cost X System Additive (27%)</i>	=	Total Maintenance of Equipment
On Board Service (OBS) Crew & Provisions	+	<i>OBS Route Cost x 10% OBS Additive</i>	=	Total On Board Services
Route Advertising			=	Total Route Advertising
Sales & Distribution	+	<i>Marketing Additive* x Passenger and Allocated Revenue*</i>	=	Total Sales & Marketing
Reservations & Call Centers			=	Total Res & Call Center
Stations – Route			=	Total Route Stations
Station – Shared			=	Total Shared Stations
Commissions			=	Total Commissions
Customer Concessions			=	Total Concessions
Connecting Motor Coach			=	Total Motor Coach
Regional/Local Police	+	<i>Passenger Miles x Police Additive (\$0.005)</i>	=	Total Police & Security
Terminal Yard Operations			=	Total Terminal Yard Ops
Terminal Maintenance of Way			=	Total Terminal MoW
Insurance			=	Total Insurance
Total Route Costs (Sum of Above)	+	<i>Total Route Costs x General & Administration Additive (2%)</i>	=	General & Administrative
				Route Service Fee (Sum of Above)
		Host RR Maintenance of Way + Host RR Performance + Fuel & Power	+	3 rd Party Costs
			=	Total Operating Costs Service Fee + 3rd Party Costs
			-	Less Passenger and Other Allocated Revenue
			=	NET STATE COST

**Denotes variable additive. Reference Appendix E*

Passenger and Other Allocated Revenue

Passenger revenues include ticket revenue and food and beverage revenue attributable to a particular route. Other Allocated Revenue includes miscellaneous revenue related to a route’s passenger train operations, such as ticket by mail fees, loyalty marketing revenue, commissions from sales of third-party services during the reservations process (call/Internet “tipping”), package express where applicable, and other.

Optional Services and Pricing

States may wish to independently contract with alternative service providers for some services rather than Amtrak. For example, states may contract directly with vendors for food service, equipment maintenance, and other components of their services. Working with independent service providers may have an impact on the

level of service that Amtrak can provide for a state. In these cases, costs that are not incurred by Amtrak would not be included in cost estimates or service reimbursements.

Operating Surplus

In the case where a route achieves an operating surplus, that route's surplus funds will be applied as follows: first, to operating payments for other routes supported by that state; second, to equipment capital charges for that state; third, for agreed upon fixed asset capital charges for that state; fourth, for future operating and capital payments by that state.

Methodology for Determining Capital Costs

Amtrak makes substantial capital investments in equipment (rolling stock) and other fixed assets needed to deliver passenger rail services. Under this policy, Amtrak will charge states for a share of these investments proportional to their use in state-supported services. Based on Section 209 requirements, the capital charge, or capital use charge², will be allocated to each route; each sponsoring state is responsible for funding its capital charge. Amtrak will work with states to find federal and other sources of funds to assist with the capital charge.

The capital charge will be forward looking and investment-based. Amtrak will assess an annual capital charge to each state for the following asset types:

- Equipment – existing and new Amtrak-owned;
 - For existing rolling stock, states will be charged a pro rata share, based on Units Used, of capital overhauls performed on the equipment classes they use to assure the assets remain FRA compliant and in a state of good repair
 - For rolling stock procured in the future by Amtrak, states will be charged a pro rata share of the purchase price, financing cost, and capital overhauls reflecting costs paid by Amtrak
 - Capital equipment charges will vary from year to year based on the life cycle maintenance plan associated with the equipment type.
- Other Amtrak fixed assets, including joint stations and Amtrak-owned rights of way;
 - This policy contains no formula-based fixed asset capital charge for Amtrak's other fixed assets such as stations and other facilities. Because of the unique nature of the fixed assets on each route, Amtrak and the states will develop an investment plan to maintain fixed assets in a state of good repair on a case-by-case basis during contract negotiation. States and Amtrak, as necessary, will be responsible for their pro rata share of any capital investments required on these Amtrak owned assets based on usage of these assets by state-supported and other users such as Amtrak long distance and/or commuter.
 - Amtrak will work with states to jointly identify and prioritize route-specific capital projects
- Other investments in assets not owned by Amtrak but required to maintain or enhance service.
 - Some routes make use of assets owned by third parties such as host railroads or state and local governments. States and Amtrak, as necessary, will be responsible for their pro rata share of any capital investments required on these non-Amtrak owned assets based on usage of these assets by state-supported and other users such as Amtrak long distance and/or commuter.

² Depending on specific state needs, the charge for capital investment on a state corridor can be characterized as a capital charge, or a capital use charge. For purposes of this document, the term "capital charge" encompasses both characterizations.

A complete description of capital cost categories is included in **Appendix E**.

Amtrak will develop a defined five-year investment program in cooperation with each state that describes the capital investments to be made over the period and the payments expected from the states throughout the period to support the five-year capital program. The program will be adjusted as needed in each annual contract update.

The five-year program would include detailed, verifiable program work elements to be accomplished by Amtrak in support of state services annually. In the case of investments/overhauls for equipment used in multiple routes, a sharing relationship will be negotiated at the beginning of each fiscal year based on the route's actual use of equipment as recorded by the APT system and adjusted for any changes in service expected in the upcoming year.

Amtrak will use the best available data to provide the state with an estimate for its capital charge prior to signing an agreement for state supported service. At the end of the contract period, Amtrak will reconcile that estimate to the actual capital investment by that equipment type and a state's use of equipment, as previously determined in each state's annual contract.

In cases where Amtrak spent less on capital programs than planned, Amtrak will apply a credit balance to future years' capital charges. In cases where Amtrak spent more on capital programs than planned, there will be no adjustment to the current year's charge but an adjustment will be made on the subsequent year's charge based on look forward investment strategies.

Amtrak will include the capital charge as a component of each state's Annual Operating Support Agreement. This capital charge will equal each state's pro rata share of the overhaul work described above. States may pay this amount from operating or capital funds, depending on a state's individual financial policies and/or grant sources.

The timing of the billing for capital charges will depend on the timing of the planned capital expenditures. The monthly cash flow for the equipment charge would be determined as part of the development of the Annual Operating Support Agreement.

Attribution of Previous State Capital Investments on the Amtrak Network

Some states have made capital contributions to Amtrak assets in association with their services. For Amtrak-owned equipment, states will be credited for the net present value of past capital investments in Amtrak equipment at the time of Section 209 implementation. This will compensate States for investments they have made in pooled assets used by multiple routes. These past equipment investments by States will allow all routes using that equipment type to schedule future capital replacements at a later date than would have been the case without the prior state investment. Amtrak will work with states to calculate the value of past capital investments in a mutually agreeable way.

For fixed assets, whether owned by Amtrak or other third parties, the capital charge is based on planned investments, not past depreciation, and represents the funding needed to make the agreed-upon investments to sustain existing service levels. As a result, any credit that reduces the capital charge would reduce the funds available for investment, create a funding gap, and prevent the needed investment. Therefore, credit towards future fixed asset capital charges cannot be given within the framework of the Section 209 policy for prior investments made by a state in Amtrak or third party assets. Notwithstanding the inability to fund a fixed asset credit, past State investments in Amtrak or other fixed assets should result in a longer service life for the asset,

and a resulting reduction and/or deferral in the amount of future capital investments, as well as maintaining and/or improving a route's operating performance.

Forecasts of Funding Requirements for State Supported Contracts

Amtrak develops five-year revenue and cost forecasts as part of its annual business planning process. For each state-supported route, Amtrak will estimate projected costs for the contract period and share them with states. For existing services that are not changing in the forecast period, Amtrak will rely on historical APT data together with out-year cost forecasts provided by Amtrak to predict the results. In cases where service levels (frequencies, schedule changes, etc.) are changing, Amtrak will forecast revenue and expense changes using ridership, revenue, and cost estimation models which are directly related to the expected changes in service levels.

State Corridor-Amtrak Contract Template

Amtrak and the SWG developed a contract template for states and Amtrak to use as they work together to develop their contract for services. The contract template addresses the key issues that states and Amtrak must discuss and address in some fashion to develop their agreements for the contract period. The contract template can be customized to reflect state differences. *Appendix F* outlines the proposed contract template

Transition from Prior Costing Methodologies

Section 209 of PRIIA requires that the new methodology be fully implemented by October 16, 2013 – that date closely aligns with the beginning of Federal Fiscal Year (FFY) 2014 on October 1, 2013. States may transition to the Section 209 methodology at a mutually agreed upon time prior to October 1, 2013 provided this transition does not result in a reduction in net forecasted state payments to Amtrak compared to that State's prior methodology. Otherwise, all states will transition to the Section 209 methodology effective October 1, 2013.

FRA staff met with the Amtrak and the SWG several times during the course of Section 209 methodology development. The FRA recognizes that the implementation of the new methodology will require increased financial support from states. FRA staff have committed to continuing their work with Amtrak and the states to develop a possible transition assistance plan to ease the impact of Section 209 on the affected states. The states, Amtrak and FRA recognize that any transition plan will need to ultimately be addressed by Congress.

Appendix A: Routes Affected by PRIIA Section 209

	Route Miles ³	State-Supported FY10 ⁴	System Trains	State-Supported per PRIIA Sec 209
Single-State⁵				
Empire Service	461	-	Yes	Yes
Lincoln Service (Chi-St. Louis)	284	Yes	Partial	Yes
Illini/Saluki	310	Yes	-	Yes
Illinois Zephyr/Carl Sandburg	258	Yes	-	Yes
Pacific Surfliner	350	Yes	Partial	Yes
Capitols	168	Yes	-	Yes
San Joaquins	315	Yes	-	Yes
River Runner (KC-St. Louis)	283	Yes	-	Yes
Piedmont	173	Yes	-	Yes
Multi-State (Non-NEC)				
Ethan Allen Express	241	Yes	-	Yes
Maple Leaf	545	-	Yes	Yes
Downeaster	116	Yes	-	Yes
Hiawatha	86	Yes	-	Yes
Wolverines	304	-	Yes	Yes
Heartland Flyer	206	Yes	-	Yes
Cascades	467	Yes	Partial	Yes
Adirondack	381	Yes	-	Yes
Blue Water	319	Yes	-	Yes
Hoosier State	196	-	Yes	Yes
Pere Marquette	176	Yes	-	Yes
NEC Base-increment (Single and Multi-State)⁶				
Vermonter	611	Yes	-	Yes
New Haven – Springfield	63	-	Yes	Yes
Keystone Service	195	Yes	Partial	Yes
Boston/New Haven-Lynchburg	173	Yes	-	Yes
Washington-Richmond	187	Yes	Partial	Yes
Pennsylvanian	353	-	Yes	Yes
Carolinian	479	Yes	-	Yes

³ For routes with multiple frequencies having different origins and destinations, represents the longest rail trip possible on multiple trains.

⁴ FY10 State support does not include capital payment, or in some cases, all trains on a route.

⁵ Routes with 95% or more route miles in one state are considered single state.

⁶ Excludes route miles on NEC.

Appendix B: Relevant Legislation

SEC. 209. STATE-SUPPORTED ROUTES.

(a) IN GENERAL.—Within 2 years after the date of enactment of this Act, the Amtrak Board of Directors, in consultation with the Secretary, the governors of each relevant State, and the Mayor of the District of Columbia, or entities representing those officials, shall develop and implement a single, nationwide standardized methodology for establishing and allocating the operating and capital costs among the States and Amtrak associated with trains operated on each of the routes described in section 24102(5)(B) and (D) and section 24702 that—

- (1) ensures, within 5 years after the date of enactment of this Act, equal treatment in the provision of like services of all States and groups of States (including the District of Columbia); and
- (2) allocates to each route the costs incurred only for the benefit of that route and a proportionate share, based upon factors that reasonably reflect relative use, of costs incurred for the common benefit of more than 1 route.

(b) REVISIONS.—The Amtrak Board of Directors, in consultation with the Secretary, the governors of each relevant State, and the Mayor of the District of Columbia, or entities representing those officials, may revise or amend the methodology established under subsection (a) as necessary, consistent with the intent of this section, including revisions or modifications based on Amtrak's financial accounting system developed pursuant to section 203 of this division.

(c) REVIEW.—If Amtrak and the States (including the District of Columbia) in which Amtrak operates such routes do not voluntarily adopt and implement the methodology developed under subsection (a) in allocating costs and determining compensation for the provision of service in accordance with the date established therein, the Surface Transportation Board shall determine the appropriate methodology required under subsection (a) for such services in accordance with the procedures and procedural schedule applicable to a proceeding under section 24904(c) of title 49, United States Code, and require the full implementation of this methodology with regards to the provision of such service within 1 year after the Board's determination of the appropriate methodology.

(d) USE OF CHAPTER 244 FUNDS.—Funds provided to a State under chapter 244 of title 49, United States Code, may be used, as provided in that chapter, to pay capital costs determined in accordance with this section.

49 USC § 24102. Definitions

- (5) "national rail passenger transportation system" means -
- (A) the segment of the continuous Northeast Corridor railroad line between Boston, Massachusetts, and Washington, District of Columbia;
 - (B) rail corridors that have been designated by the Secretary of Transportation as high-speed rail corridors (other than corridors described in subparagraph (A)), but only after regularly scheduled intercity service over a corridor has been established;
 - (C) long-distance routes of more than 750 miles between endpoints operated by Amtrak as of the date of enactment of the PRIIA [October 16, 2008]; and
 - (D) short-distance corridors, or routes of not more than 750 miles between endpoints, operated by--(i) Amtrak; or (ii) another rail carrier that receives funds under chapter 244.

49 USC §24702. Transportation requested by States, authorities, and other persons provides:

(a) **CONTRACTS FOR TRANSPORTATION.** Amtrak may enter into a contract with a State, a regional or local authority, or another person for Amtrak to operate an intercity rail service or route not included in the national rail passenger transportation system upon such terms as the parties thereto may agree.

49 USC § 24904. General authority

(c) **Compensation for Transportation Over Certain Rights of Way and Facilities.** – (1) An agreement under subsection (a)(6) of this section shall provide for reasonable reimbursement of costs but may not cross-subsidize intercity rail passenger, commuter rail passenger, and rail freight transportation.

(2) If the parties do not agree, the Interstate Commerce Commission shall order that the transportation continue over facilities acquired under the Regional Rail Reorganization Act of 1973 (45 U.S.C. 701 et seq.) and the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 801 et seq.) and shall determine compensation (without allowing cross-subsidization between commuter rail passenger and intercity rail passenger and rail freight transportation) for the transportation not later than 120 days after the dispute is submitted. The Commission shall assign to a rail carrier obtaining transportation under this subsection the costs Amtrak incurs only for the benefit of the carrier, plus a proportionate share of all other costs of providing transportation under this paragraph incurred for the common benefit of Amtrak and the carrier. The proportionate share shall be based on relative measures of volume of car operations, tonnage, or other factors that reasonably reflect the relative use of rail property covered by this subsection.

Appendix C: Definition of NEC Capital Charges, Where Applicable

Normalized Replacement Capital Charge— Replacement of assets on a regular schedule designed to mitigate cyclical imbalances in renewal needs. Normalized replacement is the estimated annual capital investment requirements to maintain infrastructure in a state of good repair once it is in that condition.

State of Good Repair (SOGR) Backlog Capital Charge—An asset or group of assets that have received inadequate maintenance over a long period of time, or have not been replaced within standard life cycle. It may still be functioning as designed but face imminent heavy repair or replacement to overcome a “backlog” of regular maintenance which was not performed on schedule. For the Section 209 policy, SOGR Capital Charge will be calculated as incremental to the Normalized Replacement Capital Charge.

Appendix D: Amtrak-Owned Right of Way Eligible for Synthetic Host Railroad Charge

Amtrak-Owned Track Segment	Miles (Timetable)	Routes Affected
New Haven, CT – Springfield, MA	62	Springfield Shuttle
Philadelphia, PA – Harrisburg, PA	104	Keystones, Pennsylvanian
Porter, IN – Kalamazoo, MI	100	Blue Water, Wolverine
New York Penn Station – Spuyten Duyvil, NY	10.7	Empire Service

Appendix E: Definition of Cost Categories Used in State-Supported Service

Version 2011-06-01				
Major Cost Category	Cost Category	Definition	Formula	
Third Party Costs	Host Railroad Maintenance of Way	Payments to host railroads for incremental costs, primarily maintenance of way associated with passenger operations	FM_307(Host RR) less incentives, less Host RR fuel, less Host RR MoE	
	Host Railroad Performance Incentives	Incentive payments to host railroads for meeting on-time and other performance targets	FM_307(Host RR) Schedule Adherence account	
	Fuel and Power	Diesel fuel and electric power used in train operations	FM_304(Fuel) + FM_307(Host RR) fuel account +	
Route Costs	Train & Engine (T&E) Crew Labor	Salaries, wages, benefits, and FELA for employees providing services for train operations. Includes engineers, conductors, assistant conductors, and related extra boards	FM_302_1(T&E Crew)	
	Car & Locomotive Maintenance and Turnaround	Turnaround service consists of cleaning, inspection, and minor repairs before or after revenue service. Also contains scheduled running maintenance and bad order repairs. Excludes capitalized maintenance and overhaul	FM_201(MoE Turnaround) + FM_202(MoE Loco Maint) + FM_203(MoE Car Maint) + FM_205(MoE Multiple, direct functions only) - FM_307(Host RR, MoE account only)	
	OBS Crew & Provisions	Salaries, wages, and benefits for employees providing On Board Services in Café, Lounge, and Dining Cars, including related extra boards. Also includes provisions loaded on train for sale	FM_301_1(OBS Crew) + FM_301_2(OBS Supplies)	
	Route Advertising	Sales & marketing expenses in support of a specific route, budgeted and recorded separate from other sales & marketing expense	Specific cost centers in FM_403(Marketing)	
	Sales Distribution	Sales and distribution operations, including development of new ticketing and on-board systems	FM_401(Sales (and Distribution) less Commission accounts	
	Reservations & Call Centers	Reservation sales call centers for general public and travel agencies, and supporting information systems	FM_402(Information & Reservations)	
	Stations - Route	Stations serving a single route. Depending on location, may include ticketing, baggage and express, stationmaster and ushers, station cleaning and maintenance, training and supervision	FM_501(Stations - Route)	
	Stations - Shared	Stations serving multiple routes. In addition to route station services, shared stations may include Red Cap and porter services	FM_502(Stations - Shared)	
	Commissions	Commission expense from credit cards, travel agencies, airline system access fees, and sales by other carriers as applicable	Commission accounts in multiple families for credit card sales, travel agents, and interline commission expense	
	Customer Concession (Psgr Inconv)	Payments to passengers for food & lodging as a result of delays. Generally includes unscheduled/ emergency motor coaches	Passenger inconvenience account in FM_G_A(General & Administrative)	
	Connecting Motor Coach	Scheduled connecting motor coach services	FM_306(Train Movement) Connecting Motor Coach account	
	Regional/Local Police	Local and regional police patrolling duties in support of Amtrak trains, facilities, and rights of way	FM_901_2(Police - Regional/Local)	
	Block & Tower Operations	Crews who operate staffed towers along specific rights of way	Specific cost centers in FM_306(Train Movement)	
	Terminal Yard Operations	Crews who move train equipment at larger terminals before and after revenue service	FM_303_2(Yard - Train & Equipment Moves) + FM_303_4(Yard - Terminal Rent/Yard Services)	
	Terminal MoW Insurance	MoW expense at large Amtrak terminals, as applicable Self and purchased insurance for passenger train operations	Specific cost centers in FM_MOW(Maintenance of Way) Allocated insurance expense in FM_G_A(General & Administrative)	
Additives	T&E	Division-specific and system overhead rates for T&E supervision and management. Includes road foremen, superintendents, crew bases, crew dispatching, local and national operating rule compliance, and other support. Excludes national train dispatching	Division	Division Rate System Rate Total
			Central	17.5% 13.50% 12.90% 26.40%
			Mid-Atlantic	18.40% 12.90% 31.30%
			Mid-Atlantic/Southern	20.20% 12.90% 33.10%
			New England	16.50% 12.90% 29.40%
			New York	24.30% 12.90% 37.20%
			Pacific	19.50% 12.90% 32.40%
			Southern	20.60% 12.90% 33.50%
			Southwest	16.30% 12.90% 29.20%
			Total rate to be applied to T&E Crew Labor	
MoE	Maintenance of shops and equipment to support direct Mechanical activities. Excludes Backshops and Fleet Engineering	27.10% of Route Cost Car & Locomotive Maintenance and Turnaround		
OBS	OBS and commissary management and supervision	10.00% of OBS Crew & Provisions		
Police	National police operations and support	\$0.0050 per passenger mile		
Marketing	National marketing programs, including national advertising; loyalty marketing; timetables; personnel in support of Route Advertising; shows, exhibits & special events; and other	Region	Rate	
		Base-increment routes on NEC	2.80%	
		Routes with one terminal in Chicago	2.80%	
		All other routes	1.90%	
		Rate to be applied to Total Revenue		
General & Administrative	Charge for General & Administrative support including Computer Systems, Finance, Legal, and other	2.00% of Route Costs		
Revenue Credit	Ticket revenue, net	Ticket revenue from passengers. Where applicable, includes through revenue adjustments described elsewhere in policy	As reported by APT, with adjustments for through revenue described elsewhere in policy	
	Food & Beverage Revenue	On-board food & beverage sales. Where applicable, pro-rated with supply expense across multiple legs	As reported by APT, pro-rated with supply expense across multiple legs	
	Other Revenue	Miscellaneous revenue as allocated by APT	As reported by APT	

30.4%

Appendix E: Definition of Cost Categories Used in State-Supported Service - Capital

version 2011-06-01			
Major Cost Category			
Major Cost Category	Cost Category	Definition	Formula
Equipment	Passenger service equipment	Capital overhauls for Amtrak-owned equipment in service on state-supported routes, including locomotives, cab cars, coaches, and food service cars. States will be charged for the periodic capital overhauls of equipment in a period based on their proportionate use of that equipment in that period	Capital overhaul expense: by equipment type, from Amtrak's capital accounting systems. Equipment usage statistics: from the Amtrak Performance Tracking system. Amtrak will provide States with an estimate of planned overhaul work at the beginning of a contract period and will reconcile the planned usage to actual work performed and actual equipment used in a State's service
	Other mechanical expense	Wreck repair, facility improvements, equipment engineering and design, general safety & reliability, mechanical IT projects	Not charged to States
Other Amtrak Fixed Assets	Amtrak-owned fixed Assets used in State Services	Includes assets such as Amtrak-owned rights of way, large terminals, stations, and other	To be handled on a case-by-case basis between Amtrak and State partners
Other non-Amtrak Fixed Assets	Non-Amtrak-owned fixed assets used in State services	Includes assets used in State services owned by third parties such as host railroads or state and local governments, such as rights of way, stations, and other	To be handled on a case-by-case basis between Amtrak and State partners

Appendix F: State-Amtrak Contract Template

Contract Outline

Effective Date: Contracts aligned to match each Agency's fiscal year

Parties: State Intercity Passenger Rail (IPR) Agency and Amtrak

Recitals/Boilerplate:

Section 1: Services to be Provided (multiple state funded services can be co-mingled under one agreement):

- Description of Amtrak Services and Service Standards {unique to each State}
- Train Schedule and Route Description {Train Service Schedules (including Connecting Bus Service, if applicable) detailed in appendix}
- Service Standards (see appendices) [Optional and specific to each State IPR Agency]
- Monitor the fiscal performance of the service/quarterly meetings (budget vs. actual)

Section 2: Decisions Affecting Service:

- Include Agency in discussions with railroads or appropriate regional rail authorities regarding schedule changes which impact service.
- Apprise Agency of any bargaining provisions that may impact service

Section 3: Amount of Reimbursement by the State IPR Agency:

- Agency's total financial obligation to Amtrak for the stated contract term shall be defined in terms of the following elements as part of the Section 209 Policy:
 - Service Fee—including Route Costs and Additives (including General & Administrative costs)
 - Third Party Costs—including fuel, host railroad access fees and incentive performance payments.
 - Other Special Cost Items as agreed upon between Amtrak and the Agency
 - Passenger Related Revenue—including ticket revenues, food and beverage revenues and other allocated revenues. These revenues are offsets from the above cost categories
 - Agency payment is the sum of the Service Fee, Third Party Costs, Other Special Costs Items with a credit for Passenger Related Revenue
- Forecasting financial elements always entails some risk as costs and/or revenues may vary from the forecasts. Amtrak and the Agency will determine the procedure for handling variances from forecasts during contract negotiations and, in particular, which party takes the risk for variances for each cost category. Options for managing and assigning variance risk are noted below:
 - Service Fee. Amtrak will make forecasts for the Service Fee. The assignment of variance risk will be subject to negotiation among the parties.
 - Third Party Costs. By definition, these costs are passed through Amtrak directly to the Agency. While Amtrak will make forecasts for these costs, the Agency will reimburse Amtrak for the actual amount of these costs whether they are lower than or higher than the Amtrak estimates

- Other Special Cost Items. These cost items will be negotiated between Amtrak and the Agency with the management of the variance between forecast and actual expenses governed in accordance with the particular arrangement between the parties
- Passenger Related Revenue. Amtrak will make forecasts for these items and the assignment of variance risk will be subject to negotiation among the parties.

Section 4: Manner of Reimbursement:

- Agency will pay Amtrak in accordance with the monthly payment schedule provided service operates at a deficit (see appendices)
- Invoices shall be rendered not less than forty-five (45) days prior to the due date.
- Force majeure
- Monthly Reconciliation Statements to State IPR Agency
- Remedies in the event that Amtrak fails to perform the services as required by this Agreement or Amtrak fails to provide revenue credits or carryover excess contract revenues
- Remedies in the event the State IPR fails to provide payment to Amtrak

Section 5: Defense of Claims {may vary due to scope of work}

Section 6: Inspection and Audit:

- Agency has the right to inspect the rail passenger and bus feeder services, facilities and equipment provided for service subject to adequate notice
- Amtrak shall provide the number of passengers carried and passenger miles operated for each train as well as other service-related reports as agreed-to by Amtrak and the Agency. Such data shall be computed and furnished on a monthly basis as described in the appendices (varies by State).

Section 7: Dispute Resolution {May vary}

Section 8: Force Majeure

- The obligations of Amtrak hereunder shall be subject to force majeure.

Section 9: Termination

Section 10: Notices

Section 11: Agreement Content

Section 12: Construction {May vary by State}

Section 13: Severability

Section 14: Compliance with Collective Bargaining Agreements

- The State acknowledges the existence of collective bargaining agreements between Amtrak and certain labor organizations representing certain of Amtrak's employees, and agrees that Amtrak will provide the

Service in a manner consistent with its obligations and rights under such agreements, as they may exist from time to time.

Section 15: State-Required Provisions (unique to each State):

- Appropriation of Funds
- Non-Discrimination
- Fair Employment Practices
- Contractor Integrity

Signature Blocks

Appendices: (contents and number of appendices will vary by State):

- National Section 209 Policy
- Train Service Schedules (and Connecting Bus Service, if applicable)
- Budget
- Payment Schedule
- Examples of Services and Performance Standards {OPTIONAL}
 - Provision of Equipment—Availability and Condition
 - Equipment Maintenance Standards
 - Reliability of Service—On Time Performance
 - Maintenance of Stations
 - Crew Performance, Supervision and Standards
 - Food Service
 - Reservations/Call Center
 - Marketing Support
 - Other Services

APPENDIX XII

NATIONAL RAILROAD PASSENGER CORPORATION

and

CAPITOL CORRIDOR JOINT POWERS AUTHORITY

AGREEMENT DATED 1 OCTOBER 2013
FOR THE PROVISION OF
RAIL PASSENGER SERVICE

FISCAL YEAR 2014
October 1, 2013 – September 30, 2014
(Effective October 1, 2013)

Standards for Maintenance and Cleaning of Equipment

Amtrak is responsible for the maintenance and cleaning of equipment (cars and locomotives) on Capitol Corridor trains. Standards for the maintenance of the equipment are set forth in the “Renegotiated Maintenance and Transfer Agreement Between the National Railroad Passenger Corporation (Amtrak) and the Capitol Corridor Joint Powers Authority (CCJPA) For The Maintenance of Equipment In The Capitol Corridor And San Joaquin Corridor,” dated October 1, 1999, and incorporated herein by reference. Standards for the cleaning of the equipment are set forth in the above incorporated Agreement and in Exhibit XII-1 hereto. Failure by Amtrak or its designated contractors to correct noticed defects/failures within five (5) business days of notification by CCJPA will result in an assessment of \$200 per incident per business day, unless expressly waived or modified by CCJPA due to extenuating circumstances beyond the reasonable control of Amtrak.

For any undisputed amount Amtrak will render a credit invoice to CCJPA within thirty days of receipt of the final monthly assessment letter. For any assessments that are disputed, the parties shall follow the process set forth in Section 8.2 of the RMTA.

EXHIBIT XII-1

A. LOCOMOTIVES

1. Daily Cleaning

The following items shall be accomplished daily on all locomotives:

- a. Clean cab of papers and other debris.
- b. Clean nose compartment of papers and debris. Toilets will be cleaned upon each return to Oakland and will be drained and recharged as needed.
- c. Clean windows and windshields.
- d. Wipe clean all interior and exterior windows, using approved cleaner. Assure all dead bugs are removed from windshield and that the windshield is free of residue that could cause glaring from opposed lighting conditions upon return to Oakland or as needed.
- e. Empty trash receptacle.
- f. Clean seats.
- g. Remove graffiti upon return to Oakland or sooner as feasible.

2. Heavy/Weekly Cleaning

Heavy cleaning will be performed weekly. Cleaning requirements are as follows:

- a) Clean the fronts (end plate, plow, end sheet, nose piece) of each in service locomotive and cab car using Amtrak approved products.

3. Additional Cleaning

The following items shall be attended to after completion of the required Federal 92-day maintenance inspection and/or before the locomotive is returned to revenue service:

- a. Before locomotive is returned to revenue service, general cleaning of the engine room and exterior of locomotive car body and all engine room walkways.
- b. As part of the 92-day maintenance inspection, steam clean trucks and fuel tanks.
- c. Clean cab sidewalls and ceiling and wet mop cab floor as soon as feasible before locomotive is returned to revenue service but not later than after 92-day maintenance inspection.

B. PASSENGER CARS

1. General

- a. All passenger cars shall have all loose trash (newspapers, paper cups, etc.) picked up and disposed of in receptacles, and trash containers which are located in car vestibules and in toilet compartments shall be emptied after the termination of each one way trip. An exemption shall be provided when the passenger cars are scheduled to return to revenue service in less than 20 minutes after termination of the prior one-way trip.
- b. All toilets shall be cleaned prior to the beginning of the first trip of the operating day when the train is departing from Oakland or from San Jose as required. Lavatory supplies shall be replenished as needed prior to each (one way) trip. All equipment that has a layover in excess of four hours in Oakland, San Jose, Sacramento, and other locations as may be agreed upon by the parties or all equipment that passes through "service tracks" at other locations shall have the toilets serviced, tank contents removed and tank recharged. At a minimum, all toilet holding tanks shall be emptied at least every four days or more often as needed.
- c. Interior and exterior graffiti shall be removed upon return to Oakland or at the first feasible opportunity.
- d. Amtrak shall complete washing of a Capitol Corridor train set (including locomotive(s)) each time such train set has a layover in Oakland of four hours or more.

2. Interior Pre-Service Cleaning, "Daily Cleaning"

Before being made available to the Transportation Department, all coaches and locomotives shall be cleaned of trash, debris, and dirt. All locomotive floors shall be clean. Mud and water tracked in during winter months shall be removed.

All litter shall be removed. All beverage spills shall be removed. All chewing gum and like substances shall be removed. Torn advertising placards, damaged public notices, and other unsightly items shall be removed. Stickers, posters, and other unauthorized signs shall be removed, including any tape and adhesive residue. Expired Capitol Corridor notices and seat drops shall be removed.

The interior windows shall have any unauthorized markings or dirt along with general grime removed and the windows made clean. This shall be done daily prior to the first scheduled departure.

All cove moldings, joints, seat pedestals, and other interior service crevices must be kept clean. All litter receptacles shall be completely emptied; and, if the receptacles are dirty, washed and sanitized.

Handprints, footprints, and other dirty conditions left by maintenance personnel and others on access panels, seats and interior panels, shall be removed.

Amtrak shall sweep or vacuum or otherwise make clean and presentable every rail passenger car. The following items on all rail passenger cars shall be attended to on a daily basis or as otherwise stated:

- a. On a daily basis, clean debris and vacuum floors and remove debris under and around seats and between seats and wall area.
- b. On a daily basis, clean interior windows and sills.
- c. Upon each return to Oakland, spot shampoo seats and armrests as needed. Seat covers and/or armrests, which cannot be adequately cleaned by spot shampooing, shall be replaced.
- d. On a daily basis, clean toilet and sink and check water supply for proper operations.
- e. On a daily basis, check water tank and fill to meet minimum requirements as needed.
- f. Clean interior and exterior windshields of Operator's control cabs as needed.
- g. On a daily basis, all café cars shall be cleaned of food and food service debris. Refrigerators, microwave ovens and other appliances shall be kept clean and sanitary and shall meet appropriate federal and other regulatory requirements.

3. Heavy Cleaning

Heavy cleaning shall be performed weekly. Cleaning requirements are as follows:

1. Debris Removal
 - a. Remove all loose debris.
 - b. Remove debris from under heater registers.
 - c. Remove debris from between seats, seats and walls and seat frames.
2. Washing
 - a. Walls and Ceilings – Hand wipe with CCJPA requested/Amtrak approved cleaner/product.
 - b. Seat Frames and Cushions – NOTE: Backrests must be lifted up to facilitate cleaning the entire seat. Hand wipe with CCJPA requested/Amtrak approved cleaner/product.

- c. Windows and Window Sills – Clean with CCJPA requested/Amtrak approved cleaner/product.
 - d. Heat Registers – Hand wipe with CCJPA requested/Amtrak approved cleaner/product.
 - e. Luggage Racks – Hand wipe with CCJPA requested/Amtrak approved cleaner/product.
 - f. Vestibule Walls, Steps, Inside Exterior Doors and Hinge Plates
 - i. Wash by hand with CCJPA requested/Amtrak approved cleaner/product.
 - ii. Vestibule ceiling hand wipe clean only.
 - iii. Vacuum out and hand wipe door tracks.
 - g. Stairwell Walls, Steps and Posts
 - i. Hand wipe walls and posts with CCJPA requested/Amtrak approved cleaner/product.
 - ii. Hand wipe steps with CCJPA requested/Amtrak approved cleaner/product.
 - h. End Doors Inside
 - i. Hand wipe with CCJPA requested/Amtrak approved cleaner/product.
 - ii. Vacuum out and wash door tracks.
 - i. End Doors Outside – Wash with CCJPA requested/Amtrak approved cleaner/product.
 - j. End Curtains – Hand wash with CCJPA requested/Amtrak approved cleaner/product.
 - k. Electric Locker Doors and Interior Floor
 - i. Hand wipe doors with CCJPA requested/Amtrak approved cleaner/product.
 - ii. Mop interior floors.
 - iii. Trash receptacles removed and cleaned.
3. Carpets
- a. Vacuum clean.
 - b. Remove gum and ground-in foodstuffs, etc.
 - c. Spot clean stains with CCJPA requested/Amtrak approved cleaner/product.
 - d. Shampoo
 - i. Use high-pressure hot water or steam.
 - ii. Use CCJPA requested/Amtrak approved cleaner/product.
 - e. Prior or subsequent to the planned interior modifications, carpets which cannot be adequately cleaned shall be replaced.
4. Air Conditioning Panels
- a. Clean with soap and water.

5. Control Cabs
 - a. Hand-wipe walls, ceiling, and seats with CCJPA requested/Amtrak approved cleaner/product.
 - b. Clean windows with CCJPA requested/Amtrak approved cleaner/product.
 - c. Mop floors with CCJPA requested/Amtrak approved cleaner/product.
 - d. Seal floors with CCJPA requested/Amtrak approved cleaner/product.
 - e. Hand wipe control stand.

6. Toilet
 - a. Clean and sanitize toilet with CCJPA requested/Amtrak approved cleaner/product.
 - b. Hand-wipe toilet walls and ceilings with CCJPA requested/Amtrak approved cleaner/product.
 - c. Mop toilet floors using CCJPA requested Amtrak approved cleaner/product.
 - d. Seal floors with CCJPA requested/Amtrak approved cleaner/product.
 - e. Clean restroom vent of duct and other debris.

7. Exterior Cleaning All Cars
 - a. Wash all surfaces: Exposed car ends, car body doors and windows with CCJPA requested/Amtrak approved cleaner/product.
 - b. All surfaces require agitation by brushing.
 - c. Rinse all surfaces thoroughly with clean water.

4. Other Cleaning (All Cars)

In conjunction with the annual inspection of the cars, the following portions of the cars, which are not normally cleaned, should be cleaned:

- Trucks
- Visible portion of main reservoirs
- Diaphragm ends
- Exposed air brake components and piping

APPENDIX XIII

NATIONAL RAILROAD PASSENGER CORPORATION

and

CAPITOL CORRIDOR JOINT POWERS AUTHORITY

AGREEMENT DATED 1 OCTOBER 2013
FOR THE PROVISION OF
RAIL PASSENGER SERVICE

FISCAL YEAR 2014
October 1, 2013 – September 30, 2014
(Effective October 1, 2012)

* * * * *

RESERVED

APPENDIX XIV

NATIONAL RAILROAD PASSENGER CORPORATION

and

CAPITOL CORRIDOR JOINT POWERS AUTHORITY

AGREEMENT DATED 1 OCTOBER 2013
FOR THE PROVISION OF
RAIL PASSENGER SERVICE

FISCAL YEAR 2014
October 1, 2013 – September 30, 2014
(Effective October 1, 2013)

The Letter of Understanding dated May 25, 2007 between State and CCJPA to formalize all equipment maintenance responsibilities between State and CCJPA (“Letter of Understanding”).

APPENDIX XIV

STATE OF CALIFORNIA—BUSINESS TRANSPORTATION AND HOUSING AGENCY

ARNOLD KOHN/ARZBISCHER, Governor

DEPARTMENT OF TRANSPORTATION
DIVISION OF RAIL
1120 N STREET
P. O. BOX 942874—MS 74
SACRAMENTO, CA 94274-0001
PHONE (916) 654-6542
FAX (916) 653-4565
TTY 711



*Flex your power!
Be energy efficient!*

May 25, 2007

Mr. Eugene K. Skoropowski, AIA
Managing Director
Capitol Corridor Joint Powers Authority
300 Lakeside Drive, 14th Floor East
Oakland, CA 94612

Dear Mr. Skoropowski:

This Letter of Understanding between our two agencies will have the same term as the Interagency Transfer Agreement (75RCCIPA-2 as amended) effective July 1, 1998.

The California Department of Transportation (Caltrans) is responsible for:

- Procurement of new equipment.
- Warranty-related issues.
- Major overall of equipment.
- Approval of equipment modifications.
- Repairs of wrecked equipment. Caltrans will document all damage to equipment within a week of receiving the Amtrak Accident Report and has established a Wreck-Damage Equipment Response Group composed of staff from the CCJPA, Amtrak and Caltrans to coordinate decisions and priorities on wreck repairs.

The CCJPA is responsible for all other maintenance administration issues.

Caltrans hereby assigns all its rights, and delegates all its duties with respect to maintenance administration of the State-provided equipment which it may have under existing agreements with Amtrak, the CCJPA, or otherwise, to the CCJPA.

The State-provided equipment shall be maintained by the CCJPA to the same standards as provided for in the agreements now in effect between the CCJPA and Caltrans which relate to maintenance, and no modification to the equipment or deviation from the existing maintenance standards will be made without a Caltrans written agreement.

Mr. Eugene K. Skoropowski, AIA
May 25, 2007
Page 2

If this letter reflects your understanding of our agreement with respect to this matter, please indicate by signing and dating the enclosed copy where specified, and returning it to us for our files.

Sincerely,


WILLIAM D. BRONTE
Chief
Division of Rail

Accepted and agreed to this 31st day of May 2007, terminating on the same day as the Interagency Transfer Agreement (75RCCJPA-2 as amended) effective July 1, 1998.

CAPITOL CORRIDOR JOINT POWERS AUTHORITY

By:


EUGENE K. SKOROPOWSKI, AIA
Managing Director

5/30/2007
Date

c: Carol Gambrel, Amtrak

APPENDIX XV

NATIONAL RAILROAD PASSENGER CORPORATION

and

CAPITOL CORRIDOR JOINT POWERS AUTHORITY

AGREEMENT DATED 1 OCTOBER 2013
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RAIL PASSENGER SERVICE

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Service Pricing

Attached is the basis for determining the fully allocated operating costs, capital costs and total revenues for the Service operated under this Agreement and the Estimated Monthly Payment (to be paid in advance) and reconciled as described in Section 4C.

Schedule A provides the estimated Payment Schedule. Schedule B provides the estimated Service Pricing. Schedule C provides the estimated Capital Costs – Passenger Service Equipment.

This Appendix XV constitutes an integral part of the aforesaid Agreement and shall not be amended except pursuant to the provisions of Section 3(a) of the said Agreement.

Appendix XV, Schedule A

APPENDIX XV
SCHEDULE A

	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Total
% by Month - Ridership	8.5%	8.6%	7.5%	7.9%	7.8%	8.5%	8.1%	8.0%	8.4%	8.5%	8.5%	8.4%	100.0%
% by Month - Revenue	8.0%	8.7%	8.2%	7.7%	7.6%	8.3%	8.7%	8.0%	8.5%	8.7%	8.5%	8.3%	100.0%
% by Month - Operating Expenses and Fixed Fees	7.5%	8.2%	8.6%	7.6%	6.5%	7.0%	7.7%	8.0%	8.0%	10.0%	10.4%	8.3%	100.0%
Capitol Corridor FY14 Ridership Projections	127,500	129,000	118,500	118,500	117,000	127,500	121,500	132,000	126,000	129,000	127,500	126,000	1,500,000
Capitol Corridor FY14 Agreement Calculations													
Monthly Capitol Corridor Revenue Est.	\$ 2,340,960	\$ 2,545,794	\$ 2,399,484	\$ 2,253,174	\$ 2,223,912	\$ 2,428,746	\$ 2,545,794	\$ 2,575,056	\$ 2,487,270	\$ 2,545,794	\$ 2,487,270	\$ 2,428,746	\$ 29,262,000
Monthly Capitol Corridor Food/Bev/Bag Rev	\$ 132,080	\$ 143,637	\$ 135,382	\$ 127,127	\$ 125,476	\$ 137,033	\$ 143,637	\$ 145,288	\$ 140,335	\$ 143,637	\$ 140,335	\$ 137,033	\$ 1,651,000
Mail and Exp.	\$ 25,520	\$ 27,753	\$ 26,158	\$ 24,563	\$ 24,244	\$ 26,477	\$ 27,753	\$ 28,072	\$ 27,115	\$ 27,753	\$ 27,115	\$ 26,477	\$ 319,000
Total Capitol Corridor Revenue Est. Per Month	\$ 2,498,560	\$ 2,717,184	\$ 2,561,024	\$ 2,404,864	\$ 2,373,632	\$ 2,592,256	\$ 2,717,184	\$ 2,748,416	\$ 2,654,720	\$ 2,717,184	\$ 2,654,720	\$ 2,592,256	\$ 31,232,000
A - Total Revenue Per Month	\$ 2,498,560	\$ 2,717,184	\$ 2,561,024	\$ 2,404,864	\$ 2,373,632	\$ 2,592,256	\$ 2,717,184	\$ 2,748,416	\$ 2,654,720	\$ 2,717,184	\$ 2,654,720	\$ 2,592,256	\$ 31,232,000
B - Estimated Host RR Cost & Fuel Expense per Month	\$ 871,950	\$ 1,069,592	\$ 1,023,068	\$ 883,576	\$ 755,690	\$ 813,820	\$ 895,202	\$ 930,080	\$ 1,046,340	\$ 1,162,600	\$ 1,209,104	\$ 964,958	\$ 11,626,000
Estimated Host RR Cost	\$ 348,000	\$ 426,880	\$ 408,320	\$ 352,640	\$ 301,600	\$ 324,800	\$ 357,280	\$ 371,200	\$ 417,600	\$ 464,000	\$ 482,560	\$ 385,120	\$ 4,640,000
Estimated Fuel Expense	\$ 523,950	\$ 642,712	\$ 614,768	\$ 530,936	\$ 454,090	\$ 489,020	\$ 537,922	\$ 558,880	\$ 628,740	\$ 698,600	\$ 726,544	\$ 579,838	\$ 6,986,000
C - Fixed Fee Expense per Month	\$ 3,350,775	\$ 4,110,284	\$ 3,931,576	\$ 3,395,452	\$ 2,904,005	\$ 3,127,390	\$ 3,440,129	\$ 3,574,160	\$ 4,020,930	\$ 4,467,700	\$ 4,646,408	\$ 3,708,191	\$ 44,677,000
D - Estimated Payment Per Month (A-B-C=D)	\$ (1,724,165)	\$ (2,462,692)	\$ (2,393,640)	\$ (1,874,164)	\$ (1,286,063)	\$ (1,348,954)	\$ (1,518,147)	\$ (1,755,824)	\$ (2,412,550)	\$ (2,913,116)	\$ (3,200,792)	\$ (2,080,695)	\$ (25,071,000)
CCRP													
FY2014 UP OTP Performance Payments	\$ 247,300	\$ 243,300	\$ 254,600	\$ 254,600	\$ 247,000	\$ 254,600	\$ 246,600	\$ 254,600	\$ 246,100	\$ 252,300	\$ 256,900	\$ 242,100	\$ 3,000,000
Rolling Stock Insurance						\$ 350,000							\$ 350,000
Subtotal CCRP						\$ 350,000							\$ 3,350,000
TOTAL FY2014 Operating Contract													\$ 28,421,000
TOTAL FY2014 Operating Expenses (exc. Revenues)	\$ 4,470,025	\$ 5,423,176	\$ 5,209,264	\$ 4,533,628	\$ 3,905,695	\$ 4,195,810	\$ 4,581,931	\$ 4,758,640	\$ 5,313,370	\$ 5,882,600	\$ 6,112,412	\$ 4,915,249	\$ 59,303,000

BUDGET
Schedule B

Capitol Corridor	FY2014
Transportation	\$ 29,262,000
Food & Beverage	\$ 1,651,000
Mail and Exp.	\$ 319,000
Revenue	\$ 31,232,000
Fuel	\$ 6,986,000
Host RR MofW	\$ 4,640,000
Estimated CCJPA Expe	\$ 11,626,000
Service Fee	\$ 44,677,000
Total Expenses	\$ 56,303,000
Total Annual Operating	\$ (25,071,000)
CCRP	\$ 3,350,000
Host RR Incentive	\$ 3,000,000
Rolling Stock Insurance	\$ 350,000
Grand Total	\$ (28,421,000)

APPENDIX XVI

NATIONAL RAILROAD PASSENGER CORPORATION

and

CAPITOL CORRIDOR JOINT POWERS AUTHORITY

AGREEMENT DATED 1 OCTOBER 2013
FOR THE PROVISION OF
RAIL PASSENGER SERVICE

FISCAL YEAR 2014
October 1, 2013 – September 30, 2014
(Effective October 1, 2013)

Dispute Resolution Process for PRIIA 209 Pricing of Amtrak Reservations and Call Centers

APPENDIX XVI



September 24, 2013

Mr. David Kutrosky
Managing Director
Capitol Corridor Joint Powers Authority
300 Lakeside Drive, 14th Floor East
Oakland, CA 94612

Re: Dispute Resolution Process for PRIIA 209 Pricing of
Amtrak Reservations and Call Centers Costs

Dear Mr. Kutrosky:

This is to confirm our annual agreement and understanding that the CCJPA Board has executed the FY14 Operating Agreement, without any provision for payment of the \$1.260 million for the Reservations and Call Centers Route Cost ("Call Center Cost") shown in the Capitol Corridor FY 2014 PRIIA 209 Forecast. As we discussed last week, this \$1.260 million payment is in dispute.

Given that PRIIA established the Surface Transportation Board (STB) as the entity to impose a methodology in the event that Amtrak and the States fail to agree on a 209 methodology and to require implementation of the methodology, we believe the STB is the appropriate forum for resolving the Call Center Dispute. We would propose that the parties agree that on or before December 2, 2013, the Call Center Cost dispute will be jointly submitted to the STB for resolution. We propose that the decision of the STB shall be final and binding on the parties with respect to Amtrak's Reservations and Call Center services to support the FY 2014 Amtrak/CCJPA Operating Agreement. In the event the STB declines to exercise jurisdiction over some or all of the issues in dispute, the parties shall engage an independent third party consultant or shall exercise any other remedy at law or in equity to resolve this dispute. Each party will bear its own costs. Any proposal or recommendation made by the Federal Railroad Administration regarding the dispute shall be advisory only.

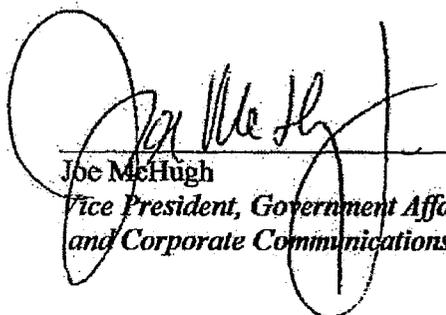


Mr. David Kutrosky
September 24, 2013
Page 2

With respect to Reservation and Call Center Operations and practices generally, Amtrak and CCJPA will work together in an effort to avoid future disputes, and together will be willing to engage an independent third party consultant on terms to be agreed. Looking forward, the consultant could aid us in helping to improve business practices mutually beneficial to both of our organizations.

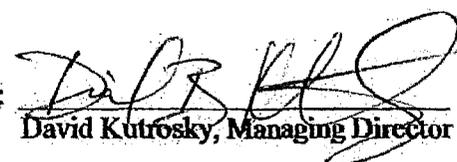
If you agree to this process, please signify your acceptance of these terms by signing below, and returning a signed copy to one of us. Once received, Amtrak will promptly execute the FY14 CCJPA Agreement. Thank you for your consideration.

Sincerely,


Joe McHugh
Vice President, Government Affairs
and Corporate Communications


DJ Stadler
Vice President, Operations

ACCEPTED AND AGREED:
CAPITOL CORRIDOR JOINT POWERS AUTHORITY

By: 
David Kutrosky, Managing Director

Date: 9/25/2013

EXHIBIT 3

Memo



Date August 2, 2013
To CCJPA

From Amtrak
Department Government Affairs
Subject Amtrak Contact Centers & Section 209
cc FRA

Message **Background**

In 2005, the Capitol Corridor Joint Powers Authority (CCJPA) and Amtrak developed a new procedure for handling incoming telephone calls about the Capitol Corridor (see Attachment A). In summary:

- Calls to the Amtrak number, 800-USA-RAIL, originating from the Bay Area would hear a recording directing the caller to press 1 if the call was about the Capitol Corridor, with all other callers staying on the line for the Amtrak contact center.
- Callers who pressed 1 would be forwarded to the Bay Area Rapid Transit (BART) call center to respond to their inquiries about the Capitol Corridor; callers who stayed on the line would be forwarded to the Amtrak contact center.
- Amtrak agents would no longer have visibility into Capitol Corridor schedule and fare information for trips entirely on the Capitol Corridor, and would instead be prompted on their screens to refer callers to the BART call center.
- Amtrak agents would continue to have visibility into schedule and fare information for trips connecting to/from the Capitol Corridor and other Amtrak trains, as well as special situations such as group travel.
- Anticipating significant reductions in the amount of time at the Amtrak contact centers for Capitol Corridor passengers, Amtrak and the CCJPA negotiated a unique compensation arrangement for reservation and ticketing services. While this arrangement has not been formally renewed in recent years, the original cost estimates have been inflated for more recent agreement. In the highlighted section of the original letter agreement, the Amtrak talk time survey is to be used to determine Amtrak's compensation for remaining call center services.

Current Conditions

Throughout this period, Amtrak has engaged a vendor to conduct a monthly survey of talk time by route at the Amtrak contact centers. This survey has continued to report talk time for the Capitol Corridor above CCJPA expectations based on the steps described above, although the time per passenger is the lowest of all State-supported routes (see Attachment B).

As part of the requirements of Section 209 of PRIIA, Amtrak and the affected States developed a cost-sharing methodology that was approved by the Surface Transportation Board (STB). The section of the cost-sharing methodology regarding State payments for use of the Amtrak contact center was based on the talk time survey described above, as used in the Amtrak Performance Tracking (APT) system. The CCJPA has questioned the results of the survey, and the resulting charges, based on the steps described above to reduce use of the Amtrak contact center.

Recent Investigation of Issue with Amtrak and CCJPA

On June 13, Amtrak met with CCJPA staff and presented one month of results from the talk time survey (see Attachment C). For the month of April 2013, the Capitol Corridor (Route 37) was surveyed to account for 1.53% of the recorded talk time. For the 12 months of FY12, the Capitol Corridor was surveyed to account for 1.3% of the recorded talk time, as presented in the file “Rt37 Capitols Operating FY12 V2” (see Attachment D). The full-year FY12 results were used as the basis for the FY14 Section 209 forecast.

On June 28th, Amtrak and CCJPA staff held a conference call to review recordings of selected calls to the Amtrak contact center. A summary of the calls is as follows:

Call	Length	Summary of Events
1	1:13	Caller inquires about travel from Sacramento to Hayward, a city pair served only by Capitol Corridor. Amtrak agent provides Capitol Corridor telephone number to caller
2	1:49	Caller inquires about next bus available from Reno to Sacramento. Amtrak agent tells caller that we only have train service in those city pairs and provides the caller with the Capitol Corridor telephone number
3	1:20	Caller inquires about departure times for Richmond to Sacramento for this evening. Amtrak agent tells caller we only have 2 trains leaving this evening but other departures may be available on the Capitol Corridor. Amtrak agent provides Capitol Corridor telephone number to caller
4	3:16	Caller inquires about travel for the following day from Fremont to Sacramento, a city pair served only by Capitol Corridor. Amtrak agent provides Capitol Corridor telephone number to caller and notes that the BART contact center is closed at the time of the call

After listening to the sample calls, the CCJPA had additional questions about the survey methodology. Amtrak answered these questions with the knowledge they had at that time but was not able to answer all questions. After the call, Amtrak had further discussions with the survey vendor to clarify the outstanding issues and provided the CCJPA with a written explanation of the survey results (see Attachment E).

Amtrak Analysis

Amtrak believes that the methodology and execution of the talk time survey is sound, and is a fair measure of the time spent by the Amtrak contact center responding to questions about the Capitol Corridor. We believe there are three primary reasons explaining the continuing incoming calls to the Amtrak contact center:

- Speaking to a live person remains the option of choice for many potential passengers who are unfamiliar with rail travel, the Capitol Corridor, and Amtrak; as well as unfamiliar or uncomfortable with other channels for seeking information such as the Internet or mobile applications.
- As a result of this limited familiarity with rail travel in general as well as the roles of the Amtrak and its partners, these callers end up selecting or defaulting to speak to an Amtrak agent.
- The Capitol Corridor contact center is open from 8a to 9p daily. In the week sampled, 16% of the calls received by the Amtrak contact center from Bay Area area codes were received when the BART contact center was closed. Of the 4 calls reviewed on June 28, 3 were inquiries for departures on the same day or the next day. While this is a small sample size, it does suggest that many Capitol Corridor callers have a short time before their intended trip and may have an urgent need for the information.

Additional analysis has shown that 52% of the individuals who called the Amtrak contact center and selected the option to be transferred to the Capitol Corridor placed a follow-up call to the Amtrak contact center, from the same telephone number, within the same week. This confirms our conclusion that the existing system is causing confusion for the traveling public with the least knowledge of the system, and resulting in additional contact center time for both Amtrak and BART.

Potential Options

Amtrak has identified three potential options, two of which we believe will reduce the sum of talk time at both the Amtrak and BART contact centers.

1. Remove the initial screen for calls originating in the Bay Area, and allow Amtrak agents to respond to schedule and fare questions to all calls made to 800-USA-RAIL. Calls to the Capitol Corridor number 877-9-RIDECC would continue to be answered by the BART call center.
2. Continue the initial screen for calls originating in the Bay Area but allow Amtrak agents to respond to Capitol Corridor questions when they are received. Callers who select option 1 would continue to be transferred to the BART call center. Callers who stay on the line but turn out to have a question regarding the Capitol Corridor could have that question answered by an Amtrak agent. Calls to the Capitol Corridor number 877-9-RIDECC would continue to be answered by the BART call center.
3. Maintain status quo. Based on the research described above, we conclude that the current situation is causing callers, many who are unfamiliar with rail travel, to place multiple calls to both Amtrak and BART contact centers to get their questions answered. This results not only in extra talk time and the resulting cost, but confused passengers who may be less likely to choose rail as their mode of travel. Amtrak does not recommend we maintain the current arrangement.

Conclusions

This arrangement with the BART call center and the Capitol Corridor was a valuable experiment to test the possibility of outsourcing call center services for State- and agency-supported intercity passenger rail services. Unfortunately, the results of this experiment have shown that it is difficult for States and agencies to shift public behavior towards calling the alternate contact center, for the variety of reasons we suggest above.

Attachment A: Letter agreement between Capitol Corridor and Amtrak



December 21, 2005

Mr. Gene Skoropowski
Managing Director
Capitol Corridor Joint Powers Authority
300 Lakeside Drive, 14th Floor East
Oakland, CA 94612

Re: CCJPA/BART Call Center

Dear Mr. Skoropowski:

This letter agreement serves to set forth the general terms for which the parties will modify the existing call center operation to provide *Capitol Corridor* riders with the BART call center service option.

Capitol Corridor Joint Powers Authority (CCJPA) desires to operate an independent call center to support passengers using *Capitol Corridor* trains. At a meeting on June 27, 2005, Amtrak and CCJPA discussed the challenges associated with segregated call centers, given the overlap of additional intercity trains that operate over the *Capitol Corridor* territory, as well as an extensive regional feeder bus network. The parties have agreed to offer callers whose calls originate from select Northern California area codes the option of accessing either *Capitol Corridor* train information or Amtrak information. For calls originating in these area codes to Amtrak on the 1.800.USA.RAIL number, the offer will be made in the form of a recorded prompt at the beginning of the call, the language of which will be jointly agreed to by CCJPA and Amtrak. In the event the caller selects Capitol Corridor information, the call will be transferred to the BART call center. CCJPA also agrees to retain all other Amtrak sales channel support and to jointly program these activities at the agreed upon funding levels to support these joint efforts.

By signing below, CCJPA authorizes Amtrak to proceed with necessary reprogramming and hardware modifications to accomplish the revisions to Amtrak's Reservations and Information System as outlined above. CCJPA will reimburse Amtrak for its actual costs incurred in performing the reprogramming and hardware modifications as well as for ongoing operational costs, as follows:

1. One-Time Costs. CCJPA will reimburse Amtrak for the one-time cost of reprogramming and establishing the call prompt and transfer system. CCJPA understands and agrees that the actual costs that will be billed by Amtrak for performance of these services shall not exceed the estimate of \$43,750 without the approval of the CCJPA.



2. Ongoing Operating Costs. CCJPA will pay the following operating costs:
- a. The CCJPA's proportionate share of non-call center costs as indicated in the RPS Reservations and Information line item pursuant to the FY06 state-supported service agreement.
 - b. The CCJPA's proportionate share of call center costs for operations in support of CCJPA services. Amtrak will invoice CCJPA for the monthly call center costs incurred by Amtrak, for all calls that get through the call prompt and transfer system and end up being handled by the Amtrak Reservation Center agent. The value of the calls handled will be calculated based on the share of CCJPA-related calls as determined by Amtrak's Call Center Survey. The Survey will allocate Amtrak unit costs chargeable to the CCJPA for services and activities on the same basis as prior to October 1, 2005. The CCJPA will reimburse Amtrak for these incurred call center operating costs as "Extra Work" as part of the FY06 operating agreement between Amtrak and CCJPA.
 - c. The CCJPA shall pay its proportionate share of ongoing incremental costs associated with the call-transfer system, including but not limited to transfer fees and the costs of telecommunications necessary to support the transfer program. These costs will be allocated to the CCJPA by Amtrak based on actual costs to Amtrak. In order to fully determine actual cost to Amtrak, CCJPA shall provide to Amtrak, on a monthly basis, a tracking report for BART call center talk time. The CCJPA will reimburse Amtrak for these incurred transfer fees as "Extra Work" as part of the FY06 operating agreement between Amtrak and CCJPA.

The sum total of ongoing operating costs identified in 2(a) through 2(c) above, shall not exceed \$575,000 without the approval of CCJPA. However, once such funds have been expended, Amtrak is no longer obligated to continue to provide call center services (for *Capitol Corridor* trains) as defined in the presentation provided to CCJPA on June 27, 2005. Amtrak will continue to provide ticketing and information services through Amtrak's website, *Quik-Trak self-serve ticketing machines and Capitol Corridor station agents.*

3. Overhead Costs. CCJPA agrees to pay for its remaining use of any other Amtrak information technology overhead costs when other states contracting with Amtrak for similar services begin covering this expense, and the CCJPA shall be charged on the same unit cost basis and in the same proportion of total costs that these costs are billed to the other states.

Amtrak and CCJPA agree to amend the state-supported service agreement to treat all costs identified above in Sections 2(b) and 2(c) as a direct reimbursable, rather than fixed cost item. The parties further agree that October 1, 2005 is the target date for completing all necessary reprogramming and hardware modifications to have the call transfer system operational. However, both parties recognize that this

Mr. Gene Skoropowski
December 21, 2005
Page 3



schedule is dependent upon agreement by both parties on the final technical specifications of the program, as well as the timely completion of work tasks by Amtrak technical staff and external communications companies. It is clearly understood that the CCJPA intends to have the new CCJPA/BART Call Center in operation by October 1, 2005.

Please signify your acceptance of these terms by signing below and returning a copy to me. If you have any questions, please call me at 202-906-2372.

Sincerely,

A handwritten signature in black ink, appearing to read "Gilbert O. Mallery".

Gilbert O. Mallery
Vice President, Contract Administration

cc: Matt Hardison

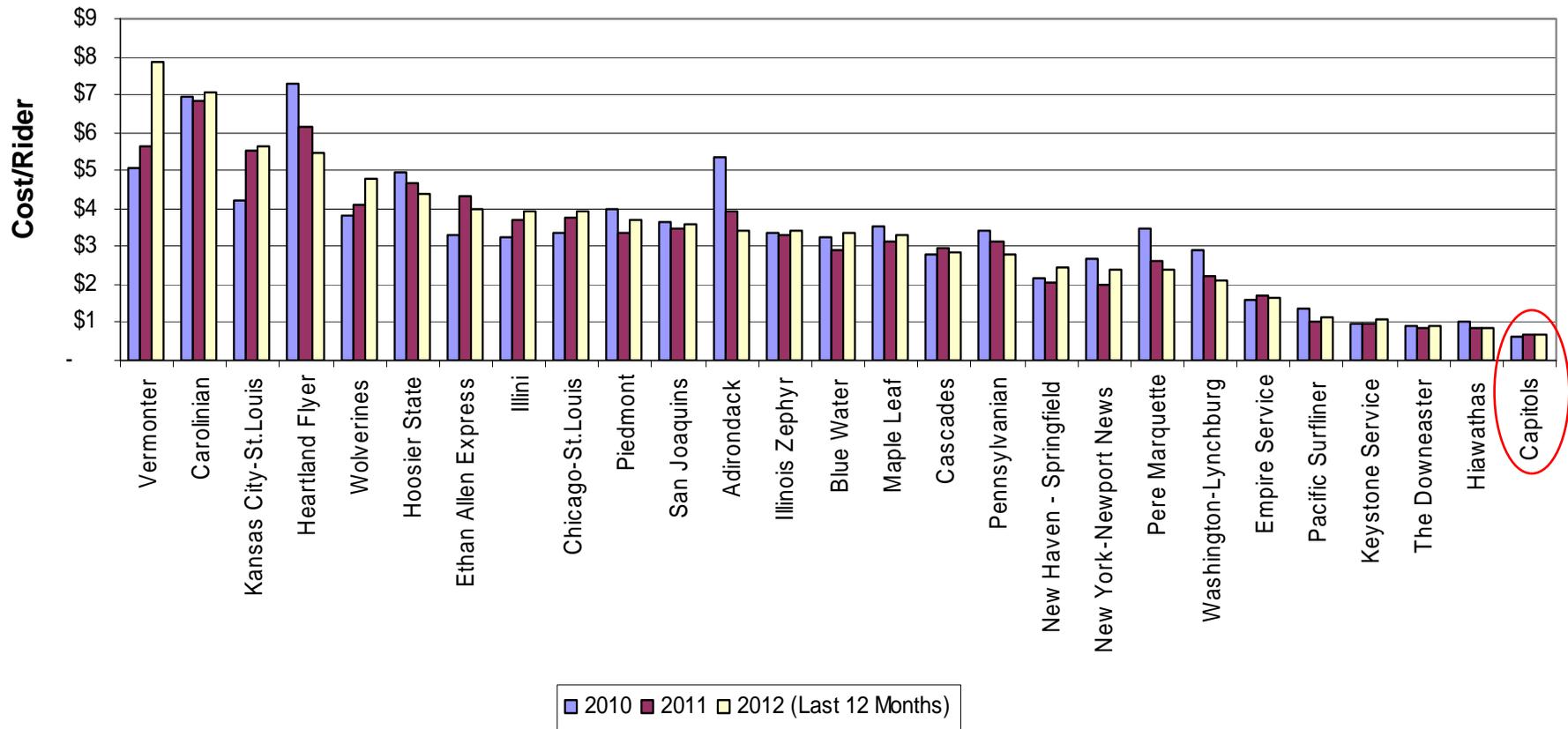
Accepted and Agreed:

CAPITOL CORRIDOR JOINT POWERS AUTHORITY

A handwritten signature in black ink, appearing to read "Eugene Skoropowski".

Eugene Skoropowski, Managing Director

Information & Reservations cost per rider by route



Attachment C: April 2013 talk time survey report from PKS Research Partners

PKS Research Partners
 Amtrak Report -- Three Months Data -- February, March, April 2013
 Origin/Destination Model, Weighted
 Talk time 20 minutes or longer set to mean
 Monthly sample of 900 weighted to 1,200 to balance historic data.

RouteNumber	RawCases	TotalTalkTime	%	TrnNumTime	%	TrnNameTime	%	PairTime	%	OrgTime	%
1	461	36980	8.06%	7443	9.38%	11380	25.94%	13238	5.88%	4919	4.44%
3	43	1529	0.33%	725	0.91%	0	0.00%	765	0.34%	39	0.03%
4	112	3372	0.73%	1926	2.43%	211	0.48%	726	0.32%	509	0.46%
5	469	50778	11.06%	11632	14.66%	4176	9.52%	25006	11.12%	9964	8.99%
7	69	5730	1.25%	926	1.17%	0	0.00%	2583	1.15%	2221	2.00%
9	19	2766	0.60%	909	1.15%	519	1.18%	833	0.37%	504	0.45%
12	48	6977	1.52%	4220	5.32%	0	0.00%	2388	1.06%	370	0.33%
14	125	8934	1.95%	1390	1.75%	152	0.35%	4893	2.18%	2499	2.25%
15	52	3500	0.76%	715	0.90%	0	0.00%	1676	0.75%	1108	1.00%
16	345	19381	4.22%	2010	2.53%	295	0.67%	13042	5.80%	4034	3.64%
18	190	5112	1.11%	504	0.63%	124	0.28%	3079	1.37%	1405	1.27%
19	337	23043	5.02%	5475	6.90%	155	0.35%	13649	6.07%	3764	3.39%
20	92	12830	2.80%	2201	2.77%	0	0.00%	8650	3.85%	1979	1.79%
21	44	3420	0.75%	307	0.39%	602	1.37%	460	0.20%	2050	1.85%
22	72	9867	2.15%	1179	1.49%	0	0.00%	3112	1.38%	5577	5.03%
23	62	5336	1.16%	0	0.00%	0	0.00%	3757	1.67%	1578	1.42%
24	51	3106	0.68%	675	0.85%	0	0.00%	1700	0.76%	731	0.66%
25	119	13946	3.04%	1960	2.47%	424	0.97%	7803	3.47%	3759	3.39%
26	104	6297	1.37%	1480	1.87%	555	1.27%	2350	1.04%	1912	1.72%
27	106	10701	2.33%	593	0.75%	533	1.21%	5557	2.47%	4018	3.62%
28	123	14822	3.23%	1734	2.18%	1127	2.57%	7222	3.21%	4740	4.28%
29	11	2035	0.44%	96	0.12%	258	0.59%	564	0.25%	1117	1.01%
30	109	11342	2.47%	1701	2.14%	0	0.00%	6100	2.71%	3541	3.19%
32	153	12557	2.74%	733	0.92%	0	0.00%	8198	3.64%	3626	3.27%
33	61	7589	1.65%	317	0.40%	0	0.00%	4598	2.04%	2674	2.41%
34	186	21413	4.66%	2546	3.21%	4885	11.14%	9999	4.44%	3984	3.59%
35	82	15496	3.38%	1077	1.36%	1170	2.67%	7101	3.16%	6147	5.55%
36	70	10211	2.22%	1900	2.40%	375	0.86%	5868	2.61%	2067	1.86%
37	48	7010	1.53%	558	0.70%	0	0.00%	2008	0.89%	4444	4.01%
39	122	22283	4.85%	3269	4.12%	960	2.19%	9967	4.43%	8087	7.29%
40	52	2805	0.61%	647	0.81%	90	0.21%	1811	0.81%	258	0.23%
41	38	1686	0.37%	0	0.00%	0	0.00%	1048	0.47%	638	0.58%
45	148	9949	2.17%	1745	2.20%	254	0.58%	5188	2.31%	2762	2.49%
46	150	5107	1.11%	2596	3.27%	0	0.00%	2102	0.93%	409	0.37%
47	98	14236	3.10%	6050	7.63%	0	0.00%	6626	2.95%	1560	1.41%
48	278	8155	1.78%	2019	2.54%	0	0.00%	4897	2.18%	1239	1.12%
50	116	2383	0.52%	1472	1.86%	0	0.00%	701	0.31%	209	0.19%
52	271	13785	3.00%	1699	2.14%	409	0.93%	8323	3.70%	3353	3.02%
54	42	1561	0.34%	337	0.42%	0	0.00%	543	0.24%	682	0.61%
56	28	5294	1.15%	350	0.44%	0	0.00%	3072	1.37%	1872	1.69%
57	97	3886	0.85%	546	0.69%	0	0.00%	2343	1.04%	997	0.90%
63	122	20617	4.49%	672	0.85%	15210	34.67%	4101	1.82%	634	0.57%
65	36	943	0.21%	73	0.09%	0	0.00%	477	0.21%	393	0.35%
66	156	7979	1.74%	647	0.82%	0	0.00%	5444	2.42%	1888	1.70%
67	23	2268	0.49%	287	0.36%	0	0.00%	1385	0.62%	596	0.54%
	5540	459017	100%	79342	100%	43866	100%	224952	100%	110856	100%
				17.3%		9.6%		49.0%		24.2%	

Capitols: Information & Reservations

Subtotal for "Information & Reservations"	\$1,200,473
Adjustments	\$0
Adjusted Total for "Information & Reservations"	\$1,200,473
Corridor Adjustment %	100.0%
Adjusted Total for State Pricing	\$1,200,473

	Capitols	% of Route	All Routes	% of Cost Center
Information & Reservations Cost Centers, (FM_402)	\$1,200,473	100.0%		
CC_1097 Western RSCC	\$503,244	41.9%	\$38,213,441	1.3%
CC_1092 Mid Atlantic RSCC	\$420,210	35.0%	\$31,859,936	1.3%
CC_1112 Sr Dir Applications - GIO Marketing	\$150,127	12.5%	\$11,261,930	1.3%
CC_1306 Sr Dir. Strat & Planning - GIO Marketing	\$59,877	5.0%	\$4,499,864	1.3%
CC_1091 Sr Dir Reservation Sales Cost Center	\$49,831	4.2%	\$3,784,273	1.3%
CC_1114 Networks & Technology	\$24,325	2.0%	\$1,843,887	1.3%
CC_1362 Sr Dir. Program Delivery - GIO Marketing	(\$7,142)	-0.6%	(\$520,916)	1.4%

Sum of Western RSCC + Mid Atlantic RSCC for Capitol Corridor = \$923,454

Attachment E: Documentation of Talk Time Survey

Amtrak Talk Time Survey – Key to Report July 2013, Version 2

Heading Information

PKS Research Partners – Vendor who has been conducting the survey since 1993

Amtrak Report -- Three Months Data -- Month, Month, Month Year – Survey data is aggregated with prior two months and presented as a three month rolling average

Origin/Destination Model, Weighted – Talk time is allocated based on passenger origins/destinations and other factors as described below. 450 calls are monitored from each Amtrak contact center (Philadelphia and California), and then data is weighted based on proportion of total calls Amtrak receives in each contact center for the period.

Talk time 20 minutes or longer set to mean – Calls reporting over 1200 seconds (20 minutes) are considered as outliers. For these calls, the actual recorded time is manually overwritten as the average call length for that month.

Monthly sample of 900 weighted to 1,200 to balance historic data. – Currently, 900 calls are monitored each month. Previously, 1,200 calls were monitored. Data from the 900 calls are multiplied by a factor so that raw data is consistent with historic results, but this does not affect the percentage weightings.

Column Information

RouteNumber – Amtrak route number talk time assigned the talk time. Corresponds to routes in APT system.

RawCases – Calls monitored where recorded time is assigned to a route. This number exceeds the total number of monitored calls due to the calls that are allocated to multiple routes as described below.

TotalTalkTime – Total recorded time, in seconds, for each route for the rolling three months of data. This column is the sum of TrnNumTime, TrnNameTime, PairTime, and OrgTime as described below.

% - For each measure of talk time, the percentage for each Amtrak route.

TrnNumTime – Talk time, in seconds, allocated based on the mention of a specific train number. This information is determined by the surveyor monitoring the call. E.g. “Can you tell me if train #176 is on time?”

TrnNameTime – Talk time, in seconds, allocated based on the mention of a specific train name. This information is determined by the surveyor monitoring the call. E.g., “I’d like to buy a ticket for the Empire Builder.”

PairTime – Talk time, in seconds, allocated based on the mention of a city pair. At the end of the month, Amtrak sends PKS a data file of passengers traveling between all city pairs by route for the month. PKS allocates these seconds to all routes serving these city pairs based on ridership for that month. E.g., “What trains do you have between New York and Philadelphia?”

OrgTime – Talk time, in seconds, allocated based on the mention of a single “origin” station. At the end of the month, Amtrak sends PKS a data file of passenger origin cities by route for the month. PKS allocates these seconds to all routes based on number of originating passengers. In some cases, the city mentioned may be the destination station, but station of origin is used to prevent double counting. E.g., “Can I get a wheelchair in Chicago?”

Summary of Survey Procedures

900 calls are listened to each month across different days of the week and times of the day. The general hierarchy for assigning time to routes is as follows:

- 1) If a train name is mentioned;
- 2) If a train number is mentioned;
- 3) If a city pair is mentioned;
- 4) If just an origin is mentioned.

As a hypothetical example, a caller may inquire about travel between two city pairs. If the conversation stays at a high level regarding general schedule information between those city pairs, the talk time would be allocated based on city pair ridership data. If the conversation led to further discussion about a specific train name, the talk time would be allocated to that specific train.

EXHIBIT 4

PRIIA Section 209
Cost Methodology Policy
August 31, 2011
Final Version

Prepared for PRIIA 209 States and Other Interested States by
The States Working Group (SWG) and Amtrak:

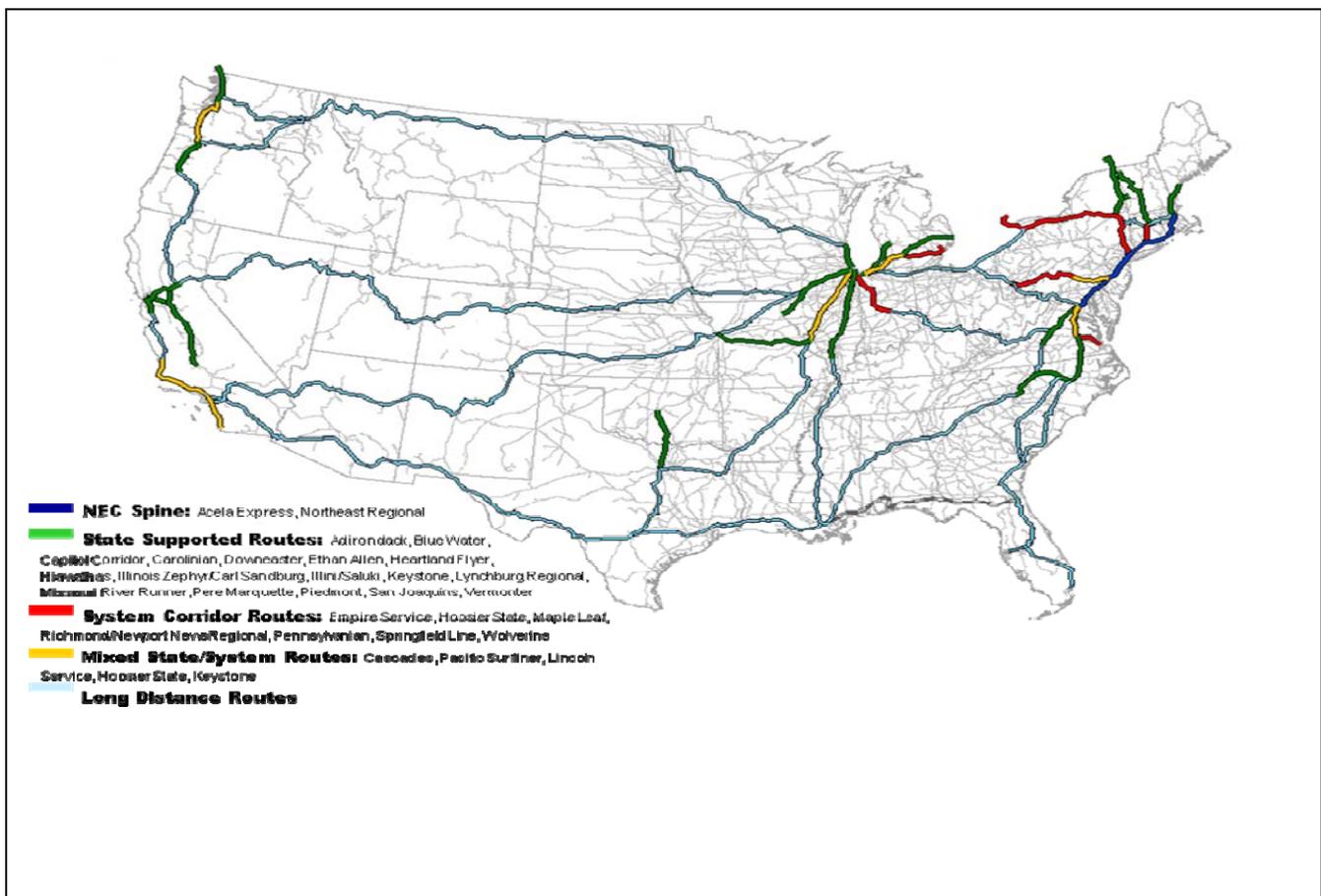
Passenger Rail Investment and Improvement Act (PRIIA) of 2008 Section 209 Cost Methodology Policy

Recommended by the State Working Group (SWG) and Amtrak Staff¹

FINAL VERSION 8/31/11

Overview

Under the provisions of PRIIA Section 209, all short-distance Amtrak corridor services must become state-supported routes and states must pay the proportional costs associated with their respective corridor route. This document describes the “single, nationwide standardized methodology for establishing and allocating the operating and capital costs among the States and Amtrak.” This methodology applies to services provided by Amtrak over routes “of no more than 750 miles between endpoints,” as described in section 24102(5)(B).



¹ Members of SWG-Amtrak group include: John Bennett, Stephen Gardner, Shayne Gill, Susan Howard, Max Johnson, David Kutrosky, Beth Nachreiner, Kevin Page, Patricia Quinn, and Patrick Simmons

Appendix A provides a list of affected routes; **Appendix B** provides the text of Section 209 and related statutes. Currently, approximately 36 of the total 110 corridor routes are either partially or completely supported by Amtrak. Once Section 209 is implemented, all such corridors routes will be priced in a transparent, fair and equitable manner. Amtrak and states were charged with collaboratively creating a cost methodology to establish a basis for sharing operating costs plus an annual capital charge for Amtrak-owned equipment and facilities used for intercity passenger rail service.

This policy statement outlines the methodology Amtrak will use to compute:

- operating expenses for routes using a formulation that defines direct route costs and associated additives, and
- capital charges for the use of Amtrak-owned assets.

The Amtrak Performance Tracking (APT) system – Amtrak’s recently-implemented cost accounting system, that is linked to Amtrak’s financial and operating systems -- provides the cost basis that the SWG and Amtrak used to evaluate options for assigning service area route costs.

The Federal Railroad Administration (FRA) met with the SWG and Amtrak to address the issue of transition assistance to the states during the phase in of the new methodologies for route and capital costs. This policy outlines clearly that states are responsible for the costs associated with the new capital charge. However, the FRA recognizes that states will face a financial burden as they implement the new cost-sharing approach. While the details of transition assistance have not been fully developed, the FRA has committed to working with the states and Amtrak on transition assistance.

Basis for Allocating Costs

Many railroad costs—both costs directly related to the services provided and those shared among services—are by their nature provided through jointly used crews, crew bases (locations where train crews report for work), support teams/facilities, maintenance facilities, and stations. As such, cost allocation methods and procedures are needed to fairly apportion these costs. The Amtrak Performance Tracking (APT) system will provide the basis for allocating “to each route the costs incurred only for the benefit of that route and a proportionate share, based upon factors that reasonably reflect relative use, of costs incurred for the common benefit of more than one route”.

In some cases, Amtrak and states may agree to use supplemental financial data to adjust the results of APT, including, but not limited to, local systems for measuring fuel consumption that are not available nationally. Pursuant to part (b) of Section 209, if changes to Amtrak’s financial systems result in a material change to the results of APT, Amtrak will work with its state partners to update this policy in a manner consistent with the intent of Section 209.

Operating Scenarios

State-supported routes are classified into three operating scenarios:

Single State Corridor Trains. These corridor trains do not cross state lines and do not use the NEC “spine” (Boston-Washington).

Multi-State Corridor Trains. For corridor trains that cross state lines but do not use the NEC “spine” (Boston-Washington), the states on the train route shall develop an equitable method for sharing the costs

and revenues from the trains. Amtrak will provide the affected states with information to assist in reaching agreement.

Base-Increment NEC Corridor Trains (Single- and Multi-State). In Section 209, the Northeast Corridor (NEC) is defined as “the continuous Northeast Corridor railroad line between Boston, Massachusetts and Washington, District of Columbia” in section 24102(5)(B). Trains having some part of their route both on the NEC and on a state-supported corridor are considered Base-Increment trains. In the case of base-Increment NEC corridor trains, APT allocates costs between the state leg and the NEC leg for accounting purposes in various ways. The allocation explanations for specific expenses are described in the APT documentation available on the FRA website, both in summary in the Main report and in detail in Appendix A.

The following general conditions apply to Base-Increment trains:

- Route Costs (defined below) common to both legs are prorated based on whether costs are incurred on the state leg or on the NEC. For instance, turnaround servicing is allocated by train miles on the NEC and state leg. Non-turnaround maintenance is allocated by both time and mileage-based statistics prorated for the amount of time a train spends on either the NEC or the state leg.
- Trains that travel through multiple states off the NEC shall develop a mutually agreeable method for sharing the costs and revenues of the trains.
- “Through revenue” is revenue from trips with one endpoint on the NEC and one endpoint on the state-supported leg. Through revenue will be credited to the state in one of two ways, to be determined by the state and established in the agreement:
 - Passenger Mile Split. Through revenue will be split between the state and Amtrak proportionate to miles traveled off and on the NEC. Under this method, Amtrak is responsible for all operating and capital costs when the train is on the NEC leg. Capital charges for equipment will be split between the state and Amtrak reflecting service both on and off the NEC, allocated based on the time-based Units Used statistic. Capital charges for fixed assets will be for the state leg only.
 - Through Revenue Plus Passenger Mile Charge. States will continue to be charged costs for the state leg as described above. Through revenue will be credited to the state, along with a charge per passenger mile for the costs of through riders traveling on the NEC. This per passenger mile charge will represent the state’s share of Amtrak’s:
 - Fully allocated NEC operating costs, as pro rated by all available Amtrak Northeast Regional seat miles;
 - Equipment capital overhaul costs, as pro rated by all available Amtrak Northeast Regional seat miles
 - Fully allocated fixed asset Normalized Replacement capital costs as defined in **Appendix C**, pro rated by all available Amtrak NEC seat miles; and
 - 20% of any fixed asset State of Good Repair Backlog capital costs as defined in **Appendix C**, pro rated by all available Amtrak NEC seat miles.

These charges will be fixed for the term of the contract between the state and Amtrak and applied against actual passenger miles. However, this through revenue policy may be amended by Amtrak and the affected states if the outcome of the PRIIA Section 212 cost allocation process requires changes to this policy.

In addition to the operating scenarios described above, some state-supported routes travel for part or all of the entire route on right-of-way owned by Amtrak outside the NEC; these routes are described in **Appendix D**. In these situations, Amtrak will remove the maintenance of way expenses for these segments as allocated in APT, and replace them with a synthetic host railroad charge. This charge is consistent with the costs that are typically charged to Amtrak by host railroads for incremental operating and maintenance. For right of way that Amtrak purchases or assumes maintenance responsibility for not listed in **Appendix D**, Amtrak and the state will negotiate such maintenance and related charges on a case-by-case basis.

Methodology for Determining Operating Costs

Under the proposed S209 Methodology, the Service Fee will include:

- 100 percent of the “Third Party Costs” associated with its corridor service;
- 100 percent of the verifiable Route Costs associated with its corridor service;
- Support Fees proportional to its corridor service; and,
- Credit for passenger and other allocated revenue, resulting in the Net State Cost.

Third Party Costs:

Actual Third Party Costs will be charged to the state corridors. Third Party Costs are comprised of:

- Host railroad maintenance of way;
- Host railroad performance payments; and
- Fuel and power charges.

Route Costs:

Route Costs are operating costs closely associated with the operation of a route. Route Costs can clearly be evaluated and tracked by Amtrak and the states in the direct provision of service on a corridor train. Route operating costs include the following categories as allocated by the APT system:

- Train and engine crew labor
- Car and locomotive maintenance and turnaround service
- On Board Service Labor and provisions (Food Service)
- Route Advertising,
- Sales & Distribution
- Reservations and Call Centers
- Route Stations
- Shared Stations
- Commissions
- Customer Concession
- Connecting Motor Coach
- Local & Regional Police
- Block & Tower operations
- Terminal Maintenance of Way
- Insurance

Support Fees:

Some cost categories have an additional level of regional and national support not included in the Route Costs, and therefore also include Support Fees that are proportional to the service provided. Support Fees are determined by applying category-specific additives to an associated route cost or other aspect of service, (i.e. revenue or passenger miles). These additives were developed by converting support cost data from the APT system into rates that would be consistent across all trains in a region, or in some cases, all state-supported trains.

For example, Amtrak provides mechanical support, facilities and services that can reasonably be apportioned between Amtrak's business lines – the Northeast Corridor (NEC) trains, long-distance trains and state-supported trains. The Maintenance of Equipment (MoE) support fee represents the portion of those costs allocated to state-supported trains and is determined by applying an additive rate to the Car & Locomotive Maintenance and Turnaround route cost.

There are six categories of Support Fees are determined as follows:

- Train & Engine Crew Support (T&E): A combination of system and division additives applied to Train & Engine Crew Labor route costs. All corridors will be charged a system additive which is fixed (12.9 percent) and a division additive which is variable (13.5-24.3 percent). The division additive is based on the Amtrak region in which the corridor operates and is linked to the management structure within Amtrak that is responsible for service delivery by train crews. The T&E system additive rate excludes costs from Amtrak's Consolidated National Operations Center (CNOC), which are considered a "backbone" cost.
- Maintenance of Equipment (MoE): A fixed system additive (27 percent) applied to the Car & Locomotive Maintenance and Turnaround Route Cost. The MoE additive rate excludes backshops and fleet engineering costs, which are considered a "backbone" cost.
- On Board Services (OBS): A fixed system additive (10 percent) applied to the OBS Crew & Provisions Route Cost.
- Marketing: A variable regional additive (1.9 - 2.8 percent) applied to total revenue. The marketing additive is based on the degree to which a state corridor is connected to the NEC or to a major Amtrak hub station. Corridors that fall into those categories will have a higher additive associated with Amtrak's higher level of shared marketing in those regions.
- Police: A fixed system additive (\$.005) applied to passenger miles.
- General & Administrative: A fixed system additive (2 percent) applied to Total Route Costs.

The additive rate will remain the same for three years beginning October 2012, unless there is a significant unforeseen event, such as a significant decrease in Amtrak's Federal funding or a significant change to the size of Amtrak's network. A change in the additive rate during the three-year term must be approved by Amtrak and the states. At the end of the three year period, Amtrak will propose adjustments to the additive rates if they are necessary. States and Amtrak must mutually agree on additive rate adjustments.

The table below illustrates the S209 Operating Cost Pricing Methodology. The definitions of cost categories and additives are described in more depth in **Appendix E**.

S209 Operating Cost Pricing Methodology

ROUTE COSTS	+	SUPPORT FEE	=	OPERATING COSTS
Train & Engine Crew Labor		<i>T&E Route x (Division Additive* + System Additive (12.9%))</i>	=	Total Train & Engine Crew Labor
Car & Locomotive Maintenance & Turnaround	+	<i>Car & Loco Route Cost X System Additive (27%)</i>	=	Total Maintenance of Equipment
On Board Service (OBS) Crew & Provisions	+	<i>OBS Route Cost x 10% OBS Additive</i>	=	Total On Board Services
Route Advertising			=	Total Route Advertising
Sales & Distribution	+	<i>Marketing Additive* x Passenger and Allocated Revenue*</i>	=	Total Sales & Marketing
Reservations & Call Centers			=	Total Res & Call Center
Stations – Route			=	Total Route Stations
Station – Shared			=	Total Shared Stations
Commissions			=	Total Commissions
Customer Concessions			=	Total Concessions
Connecting Motor Coach			=	Total Motor Coach
Regional/Local Police	+	<i>Passenger Miles x Police Additive (\$0.005)</i>	=	Total Police & Security
Terminal Yard Operations			=	Total Terminal Yard Ops
Terminal Maintenance of Way			=	Total Terminal MoW
Insurance			=	Total Insurance
Total Route Costs <i>(Sum of Above)</i>	+	<i>Total Route Costs x General & Administration Additive (2%)</i>	=	General & Administrative
				Route Service Fee <i>(Sum of Above)</i>
		<u>Host RR Maintenance of Way + Host RR Performance + Fuel & Power</u>	+	3 rd Party Costs
			=	Total Operating Costs <i>Service Fee + 3rd Party Costs</i>
			-	Less Passenger and Other Allocated Revenue
			=	NET STATE COST

*Denotes variable additive. Reference Appendix E

Passenger and Other Allocated Revenue

Passenger revenues include ticket revenue and food and beverage revenue attributable to a particular route. Other Allocated Revenue includes miscellaneous revenue related to a route’s passenger train operations, such as ticket by mail fees, loyalty marketing revenue, commissions from sales of third-party services during the reservations process (call/Internet “tipping”), package express where applicable, and other.

Optional Services and Pricing

States may wish to independently contract with alternative service providers for some services rather than Amtrak. For example, states may contract directly with vendors for food service, equipment maintenance, and other components of their services. Working with independent service providers may have an impact on the

level of service that Amtrak can provide for a state. In these cases, costs that are not incurred by Amtrak would not be included in cost estimates or service reimbursements.

Operating Surplus

In the case where a route achieves an operating surplus, that route's surplus funds will be applied as follows: first, to operating payments for other routes supported by that state; second, to equipment capital charges for that state; third, for agreed upon fixed asset capital charges for that state; fourth, for future operating and capital payments by that state.

Methodology for Determining Capital Costs

Amtrak makes substantial capital investments in equipment (rolling stock) and other fixed assets needed to deliver passenger rail services. Under this policy, Amtrak will charge states for a share of these investments proportional to their use in state-supported services. Based on Section 209 requirements, the capital charge, or capital use charge², will be allocated to each route; each sponsoring state is responsible for funding its capital charge. Amtrak will work with states to find federal and other sources of funds to assist with the capital charge.

The capital charge will be forward looking and investment-based. Amtrak will assess an annual capital charge to each state for the following asset types:

- Equipment – existing and new Amtrak-owned;
 - For existing rolling stock, states will be charged a pro rata share, based on Units Used, of capital overhauls performed on the equipment classes they use to assure the assets remain FRA compliant and in a state of good repair
 - For rolling stock procured in the future by Amtrak, states will be charged a pro rata share of the purchase price, financing cost, and capital overhauls reflecting costs paid by Amtrak
 - Capital equipment charges will vary from year to year based on the life cycle maintenance plan associated with the equipment type.
- Other Amtrak fixed assets, including joint stations and Amtrak-owned rights of way;
 - This policy contains no formula-based fixed asset capital charge for Amtrak's other fixed assets such as stations and other facilities. Because of the unique nature of the fixed assets on each route, Amtrak and the states will develop an investment plan to maintain fixed assets in a state of good repair on a case-by-case basis during contract negotiation. States and Amtrak, as necessary, will be responsible for their pro rata share of any capital investments required on these Amtrak owned assets based on usage of these assets by state-supported and other users such as Amtrak long distance and/or commuter.
 - Amtrak will work with states to jointly identify and prioritize route-specific capital projects
- Other investments in assets not owned by Amtrak but required to maintain or enhance service.
 - Some routes make use of assets owned by third parties such as host railroads or state and local governments. States and Amtrak, as necessary, will be responsible for their pro rata share of any capital investments required on these non-Amtrak owned assets based on usage of these assets by state-supported and other users such as Amtrak long distance and/or commuter.

² Depending on specific state needs, the charge for capital investment on a state corridor can be characterized as a capital charge, or a capital use charge. For purposes of this document, the term "capital charge" encompasses both characterizations.

A complete description of capital cost categories is included in **Appendix E**.

Amtrak will develop a defined five-year investment program in cooperation with each state that describes the capital investments to be made over the period and the payments expected from the states throughout the period to support the five-year capital program. The program will be adjusted as needed in each annual contract update.

The five-year program would include detailed, verifiable program work elements to be accomplished by Amtrak in support of state services annually. In the case of investments/overhauls for equipment used in multiple routes, a sharing relationship will be negotiated at the beginning of each fiscal year based on the route's actual use of equipment as recorded by the APT system and adjusted for any changes in service expected in the upcoming year.

Amtrak will use the best available data to provide the state with an estimate for its capital charge prior to signing an agreement for state supported service. At the end of the contract period, Amtrak will reconcile that estimate to the actual capital investment by that equipment type and a state's use of equipment, as previously determined in each state's annual contract.

In cases where Amtrak spent less on capital programs than planned, Amtrak will apply a credit balance to future years' capital charges. In cases where Amtrak spent more on capital programs than planned, there will be no adjustment to the current year's charge but an adjustment will be made on the subsequent year's charge based on look forward investment strategies.

Amtrak will include the capital charge as a component of each state's Annual Operating Support Agreement. This capital charge will equal each state's pro rata share of the overhaul work described above. States may pay this amount from operating or capital funds, depending on a state's individual financial policies and/or grant sources.

The timing of the billing for capital charges will depend on the timing of the planned capital expenditures. The monthly cash flow for the equipment charge would be determined as part of the development of the Annual Operating Support Agreement.

Attribution of Previous State Capital Investments on the Amtrak Network

Some states have made capital contributions to Amtrak assets in association with their services. For Amtrak-owned equipment, states will be credited for the net present value of past capital investments in Amtrak equipment at the time of Section 209 implementation. This will compensate States for investments they have made in pooled assets used by multiple routes. These past equipment investments by States will allow all routes using that equipment type to schedule future capital replacements at a later date than would have been the case without the prior state investment. Amtrak will work with states to calculate the value of past capital investments in a mutually agreeable way.

For fixed assets, whether owned by Amtrak or other third parties, the capital charge is based on planned investments, not past depreciation, and represents the funding needed to make the agreed-upon investments to sustain existing service levels. As a result, any credit that reduces the capital charge would reduce the funds available for investment, create a funding gap, and prevent the needed investment. Therefore, credit towards future fixed asset capital charges cannot be given within the framework of the Section 209 policy for prior investments made by a state in Amtrak or third party assets. Notwithstanding the inability to fund a fixed asset credit, past State investments in Amtrak or other fixed assets should result in a longer service life for the asset,

and a resulting reduction and/or deferral in the amount of future capital investments, as well as maintaining and/or improving a route's operating performance.

Forecasts of Funding Requirements for State Supported Contracts

Amtrak develops five-year revenue and cost forecasts as part of its annual business planning process. For each state-supported route, Amtrak will estimate projected costs for the contract period and share them with states. For existing services that are not changing in the forecast period, Amtrak will rely on historical APT data together with out-year cost forecasts provided by Amtrak to predict the results. In cases where service levels (frequencies, schedule changes, etc.) are changing, Amtrak will forecast revenue and expense changes using ridership, revenue, and cost estimation models which are directly related to the expected changes in service levels.

State Corridor-Amtrak Contract Template

Amtrak and the SWG developed a contract template for states and Amtrak to use as they work together to develop their contract for services. The contract template addresses the key issues that states and Amtrak must discuss and address in some fashion to develop their agreements for the contract period. The contract template can be customized to reflect state differences. **Appendix F** outlines the proposed contract template

Transition from Prior Costing Methodologies

Section 209 of PRIIA requires that the new methodology be fully implemented by October 16, 2013 – that date closely aligns with the beginning of Federal Fiscal Year (FFY) 2014 on October 1, 2013. States may transition to the Section 209 methodology at a mutually agreed upon time prior to October 1, 2013 provided this transition does not result in a reduction in net forecasted state payments to Amtrak compared to that State's prior methodology. Otherwise, all states will transition to the Section 209 methodology effective October 1, 2013.

FRA staff met with the Amtrak and the SWG several times during the course of Section 209 methodology development. The FRA recognizes that the implementation of the new methodology will require increased financial support from states. FRA staff have committed to continuing their work with Amtrak and the states to develop a possible transition assistance plan to ease the impact of Section 209 on the affected states. The states, Amtrak and FRA recognize that any transition plan will need to ultimately be addressed by Congress.

Appendix A: Routes Affected by PRIIA Section 209

	Route Miles ³	State-Supported FY10 ⁴	System Trains	State-Supported per PRIIA Sec 209
Single-State⁵				
Empire Service	461	-	Yes	Yes
Lincoln Service (Chi-St. Louis)	284	Yes	Partial	Yes
Illini/Saluki	310	Yes	-	Yes
Illinois Zephyr/Carl Sandburg	258	Yes	-	Yes
Pacific Surfliner	350	Yes	Partial	Yes
Capitols	168	Yes	-	Yes
San Joaquins	315	Yes	-	Yes
River Runner (KC-St. Louis)	283	Yes	-	Yes
Piedmont	173	Yes	-	Yes
Multi-State (Non-NEC)				
Ethan Allen Express	241	Yes	-	Yes
Maple Leaf	545	-	Yes	Yes
Downeaster	116	Yes	-	Yes
Hiawatha	86	Yes	-	Yes
Wolverines	304	-	Yes	Yes
Heartland Flyer	206	Yes	-	Yes
Cascades	467	Yes	Partial	Yes
Adirondack	381	Yes	-	Yes
Blue Water	319	Yes	-	Yes
Hoosier State	196	-	Yes	Yes
Pere Marquette	176	Yes	-	Yes
NEC Base-increment (Single and Multi-State)⁶				
Vermonters	611	Yes	-	Yes
New Haven – Springfield	63	-	Yes	Yes
Keystone Service	195	Yes	Partial	Yes
Boston/New Haven-Lynchburg	173	Yes	-	Yes
Washington-Richmond	187	Yes	Partial	Yes
Pennsylvanian	353	-	Yes	Yes
Carolinian	479	Yes	-	Yes

³ For routes with multiple frequencies having different origins and destinations, represents the longest rail trip possible on multiple trains.

⁴ FY10 State support does not include capital payment, or in some cases, all trains on a route.

⁵ Routes with 95% or more route miles in one state are considered single state.

⁶ Excludes route miles on NEC.

Appendix B: Relevant Legislation

SEC. 209. STATE-SUPPORTED ROUTES.

(a) IN GENERAL.—Within 2 years after the date of enactment of this Act, the Amtrak Board of Directors, in consultation with the Secretary, the governors of each relevant State, and the Mayor of the District of Columbia, or entities representing those officials, shall develop and implement a single, nationwide standardized methodology for establishing and allocating the operating and capital costs among the States and Amtrak associated with trains operated on each of the routes described in section 24102(5)(B) and (D) and section 24702 that—

- (1) ensures, within 5 years after the date of enactment of this Act, equal treatment in the provision of like services of all States and groups of States (including the District of Columbia); and
- (2) allocates to each route the costs incurred only for the benefit of that route and a proportionate share, based upon factors that reasonably reflect relative use, of costs incurred for the common benefit of more than 1 route.

(b) REVISIONS.—The Amtrak Board of Directors, in consultation with the Secretary, the governors of each relevant State, and the Mayor of the District of Columbia, or entities representing those officials, may revise or amend the methodology established under subsection (a) as necessary, consistent with the intent of this section, including revisions or modifications based on Amtrak’s financial accounting system developed pursuant to section 203 of this division.

(c) REVIEW.—If Amtrak and the States (including the District of Columbia) in which Amtrak operates such routes do not voluntarily adopt and implement the methodology developed under subsection (a) in allocating costs and determining compensation for the provision of service in accordance with the date established therein, the Surface Transportation Board shall determine the appropriate methodology required under subsection (a) for such services in accordance with the procedures and procedural schedule applicable to a proceeding under section 24904(c) of title 49, United States Code, and require the full implementation of this methodology with regards to the provision of such service within 1 year after the Board’s determination of the appropriate methodology.

(d) USE OF CHAPTER 244 FUNDS.—Funds provided to a State under chapter 244 of title 49, United States Code, may be used, as provided in that chapter, to pay capital costs determined in accordance with this section.

49 USC § 24102. Definitions

(5) “national rail passenger transportation system” means -

- (A) the segment of the continuous Northeast Corridor railroad line between Boston, Massachusetts, and Washington, District of Columbia;
- (B) rail corridors that have been designated by the Secretary of Transportation as high-speed rail corridors (other than corridors described in subparagraph (A)), but only after regularly scheduled intercity service over a corridor has been established;
- (C) long-distance routes of more than 750 miles between endpoints operated by Amtrak as of the date of enactment of the PRIIA [October 16, 2008]; and
- (D) short-distance corridors, or routes of not more than 750 miles between endpoints, operated by--(i) Amtrak; or (ii) another rail carrier that receives funds under chapter 244.

49 USC §24702. Transportation requested by States, authorities, and other persons provides:

(a) **CONTRACTS FOR TRANSPORTATION.** Amtrak may enter into a contract with a State, a regional or local authority, or another person for Amtrak to operate an intercity rail service or route not included in the national rail passenger transportation system upon such terms as the parties thereto may agree.

49 USC § 24904. General authority

(c) **Compensation for Transportation Over Certain Rights of Way and Facilities.** – (1) An agreement under subsection (a)(6) of this section shall provide for reasonable reimbursement of costs but may not cross-subsidize intercity rail passenger, commuter rail passenger, and rail freight transportation.

(2) If the parties do not agree, the Interstate Commerce Commission shall order that the transportation continue over facilities acquired under the Regional Rail Reorganization Act of 1973 (45 U.S.C. 701 et seq.) and the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 801 et seq.) and shall determine compensation (without allowing cross-subsidization between commuter rail passenger and intercity rail passenger and rail freight transportation) for the transportation not later than 120 days after the dispute is submitted. The Commission shall assign to a rail carrier obtaining transportation under this subsection the costs Amtrak incurs only for the benefit of the carrier, plus a proportionate share of all other costs of providing transportation under this paragraph incurred for the common benefit of Amtrak and the carrier. The proportionate share shall be based on relative measures of volume of car operations, tonnage, or other factors that reasonably reflect the relative use of rail property covered by this subsection.

Appendix C: Definition of NEC Capital Charges, Where Applicable

Normalized Replacement Capital Charge— Replacement of assets on a regular schedule designed to mitigate cyclical imbalances in renewal needs. Normalized replacement is the estimated annual capital investment requirements to maintain infrastructure in a state of good repair once it is in that condition.

State of Good Repair (SOGR) Backlog Capital Charge—An asset or group of assets that have received inadequate maintenance over a long period of time, or have not been replaced within standard life cycle. It may still be functioning as designed but face imminent heavy repair or replacement to overcome a “backlog” of regular maintenance which was not performed on schedule. For the Section 209 policy, SOGR Capital Charge will be calculated as incremental to the Normalized Replacement Capital Charge.

Appendix D: Amtrak-Owned Right of Way Eligible for Synthetic Host Railroad Charge

Amtrak-Owned Track Segment	Miles (Timetable)	Routes Affected
New Haven, CT – Springfield, MA	62	Springfield Shuttle
Philadelphia, PA – Harrisburg, PA	104	Keystones, Pennsylvanian
Porter, IN – Kalamazoo, MI	100	Blue Water, Wolverine
New York Penn Station – Spuyten Duyvil, NY	10.7	Empire Service

Appendix E: Definition of Cost Categories Used in State-Supported Service

version 2011-06-01						
Major Cost Category	Cost Category	Definition	Formula			
Third Party Costs	Host Railroad Maintenance of Way	Payments to host railroads for incremental costs, primarily maintenance of way associated with passenger operations	FM_307(Host RR) less incentives, less Host RR fuel, less Host RR MoE			
	Host Railroad Performance Incentives	Incentive payments to host railroads for meeting on-time and other performance targets	FM_307(Host RR) Schedule Adherence account			
	Fuel and Power	Diesel fuel and electric power used in train operations	FM_304(Fuel) + FM_307(Host RR) fuel account +			
Route Costs	Train & Engine (T&E) Crew Labor	Salaries, wages, benefits, and FELA for employees providing services for train operations. Includes engineers, conductors, assistant conductors, and related extra boards	FM_302_1(T&E Crew)			
	Car & Locomotive Maintenance and Turnaround	Turnaround service consists of cleaning, inspection, and minor repairs before or after revenue service. Also contains scheduled running maintenance and bad order repairs. Excludes capitalized maintenance and overhaul	FM_201(MoE Turnaround) + FM_202(MoE Loco Maint) + FM_203(MoE Car Maint) + FM_205(MoE Multiple, direct functions only) _ FM_307(Host RR, MoE account only)			
	OBS Crew & Provisions	Salaries, wages, and benefits for employees providing On Board Services in Café, Lounge, and Dining Cars, including related extra boards. Also includes provisions loaded on train for sale	FM_301_1(OBS Crew) + FM_301_2(OBS Supplies)			
	Route Advertising	Sales & marketing expenses in support of a specific route, budgeted and recorded separate from other sales & marketing expense	Specific cost centers in FM_403(Marketing)			
	Sales Distribution	Sales and distribution operations, including development of new ticketing and on-board systems	FM_401(Sales (and Distribution) less Commission accounts			
	Reservations & Call Centers	Reservation sales call centers for general public and travel agencies, and supporting information systems	FM_402(Information & Reservations)			
	Stations - Route	Stations serving a single route. Depending on location, may include ticketing, baggage and express, stationmaster and ushers, station cleaning and maintenance, training and supervision	FM_501(Stations - Route)			
	Stations - Shared	Stations serving multiple routes. In addition to route station services, shared stations may include Red Cap and porter services	FM_502(Stations - Shared)			
	Commissions	Commission expense from credit cards, travel agencies, airline system access fees, and sales by other carriers as applicable	Commission accounts in multiple families for credit card sales, travel agents, and interline commission expense			
	Customer Concession (Psg'r Inconv)	Payments to passengers for food & lodging as a result of delays. Generally includes unscheduled/ emergency motor coaches	Passenger inconvenience account in FM_G_A(General & Administrative)			
	Connecting Motor Coach	Scheduled connecting motor coach services	FM_306(Train Movement) Connecting Motor Coach account			
	Regional/Local Police	Local and regional police patrolling duties in support of Amtrak trains, facilities, and rights of way	FM_901_2(Police - Regional/Local)			
	Block & Tower Operations	Crews who operate staffed towers along specific rights of way	Specific cost centers in FM_306(Train Movement)			
	Terminal Yard Operations	Crews who move train equipment at larger terminals before and after revenue service	FM_303_2(Yard - Train & Equipment Moves) + FM_303_4(Yard - Terminal Rent/Yard Services)			
	Terminal MoW	MoW expense at large Amtrak terminals, as applicable	Specific cost centers in FM_MOW(Maintenance of Way)			
Insurance	Self and purchased insurance for passenger train operations	Allocated insurance expense in FM_G_A(General & Administrative)				
Additives	T&E	Division-specific and system overhead rates for T&E supervision and management. Includes road foremen, superintendents, crew bases, crew dispatching, local and national operating rule compliance, and other support. Excludes national train dispatching	Division	Division Rate	System Rate	Total
			Central	13.50%	12.90%	26.40%
			Mid-Atlantic	18.40%	12.90%	31.30%
			Mid-Atlantic/Southern	20.20%	12.90%	33.10%
			New England	16.50%	12.90%	29.40%
			New York	24.30%	12.90%	37.20%
			Pacific	19.50%	12.90%	32.40%
			Southern	20.60%	12.90%	33.50%
			Southwest	16.30%	12.90%	29.20%
			Total rate to be applied to T&E Crew Labor			
	MoE	Maintenance of shops and equipment to support direct Mechanical activities. Excludes Backshops and Fleet Engineering	27.10% of Route Cost Car & Locomotive Maintenance and Turnaround			
	OBS	OBS and commissary management and supervision	10.00% of OBS Crew & Provisions			
	Police	National police operations and support	\$0.0050 per passenger mile			
	Marketing	National marketing programs, including national advertising; loyalty marketing; timetables; personnel in support of Route Advertising; shows, exhibits & special events; and other	Region	Rate		
			Base-increment routes on NEC	2.80%		
			Routes with one terminal in Chicago	2.80%		
			All other routes	1.90%		
	Rate to be applied to Total Revenue					
	General & Administrative	Charge for General & Administrative support including Computer Systems, Finance, Legal, and other	2.00% of Route Costs			
Revenue Credit	Ticket revenue, net	Ticket revenue from passengers. Where applicable, includes through revenue adjustments described elsewhere in policy	As reported by APT, with adjustments for through revenue described elsewhere in policy			
	Food & Beverage Revenue	On-board food & beverage sales. Where applicable, pro-rated with supply expense across multiple legs	As reported by APT, pro-rated with supply expense across multiple legs			
	Other Revenue	Miscellaneous revenue as allocated by APT	As reported by APT			

Appendix E: Definition of Cost Categories Used in State-Supported Service - Capital

version 2011-06-01			
Major Cost			
Category	Cost Category	Definition	Formula
Equipment	Passenger service equipment	Capital overhauls for Amtrak-owned equipment in service on state-supported routes, including locomotives, cab cars, coaches, and food service cars. States will be charged for the periodic capital overhauls of equipment in a period based on their proportionate use of that equipment in that period	Capital overhaul expense: by equipment type, from Amtrak's capital accounting systems. Equipment usage statistics: from the Amtrak Performance Tracking system. Amtrak will provide States with an estimate of planned overhaul work at the beginning of a contract period and will reconcile the planned usage to actual work performed and actual equipment used in a State's service
	Other mechanical expense	Wreck repair, facility improvements, equipment engineering and design, general safety & reliability, mechanical IT projects	Not charged to States
Other Amtrak Fixed Assets	Amtrak-owned fixed Assets used in State Services	Includes assets such as Amtrak-owned rights of way, large terminals, stations, and other	To be handled on a case-by-case basis between Amtrak and State partners
Other non-Amtrak Fixed Assets	Non-Amtrak-owned fixed assets used in State services	Includes assets used in State services owned by third parties such as host railroads or state and local governments, such as rights of way, stations, and other	To be handled on a case-by-case basis between Amtrak and State partners

Appendix F: State-Amtrak Contract Template

Contract Outline

Effective Date: Contracts aligned to match each Agency's fiscal year

Parties: State Intercity Passenger Rail (IPR) Agency and Amtrak

Recitals/Boilerplate:

Section 1: Services to be Provided (multiple state funded services can be co-mingled under one agreement):

- Description of Amtrak Services and Service Standards {unique to each State}
- Train Schedule and Route Description {Train Service Schedules (including Connecting Bus Service, if applicable) detailed in appendix}
- Service Standards (see appendices) [Optional and specific to each State IPR Agency]
- Monitor the fiscal performance of the service/quarterly meetings (budget vs. actual)

Section 2: Decisions Affecting Service:

- Include Agency in discussions with railroads or appropriate regional rail authorities regarding schedule changes which impact service.
- Apprise Agency of any bargaining provisions that may impact service

Section 3: Amount of Reimbursement by the State IPR Agency:

- Agency's total financial obligation to Amtrak for the stated contract term shall be defined in terms of the following elements as part of the Section 209 Policy:
 - Service Fee—including Route Costs and Additives (including General & Administrative costs)
 - Third Party Costs—including fuel, host railroad access fees and incentive performance payments.
 - Other Special Cost Items as agreed upon between Amtrak and the Agency
 - Passenger Related Revenue—including ticket revenues, food and beverage revenues and other allocated revenues. These revenues are offsets from the above cost categories
 - Agency payment is the sum of the Service Fee, Third Party Costs, Other Special Costs Items with a credit for Passenger Related Revenue
- Forecasting financial elements always entails some risk as costs and/or revenues may vary from the forecasts. Amtrak and the Agency will determine the procedure for handling variances from forecasts during contract negotiations and, in particular, which party takes the risk for variances for each cost category. Options for managing and assigning variance risk are noted below:
 - Service Fee. Amtrak will make forecasts for the Service Fee. The assignment of variance risk will be subject to negotiation among the parties.
 - Third Party Costs. By definition, these costs are passed through Amtrak directly to the Agency. While Amtrak will make forecasts for these costs, the Agency will reimburse Amtrak for the actual amount of these costs whether they are lower than or higher than the Amtrak estimates

- Other Special Cost Items. These cost items will be negotiated between Amtrak and the Agency with the management of the variance between forecast and actual expenses governed in accordance with the particular arrangement between the parties
- Passenger Related Revenue. Amtrak will make forecasts for these items and the assignment of variance risk will be subject to negotiation among the parties.

Section 4: Manner of Reimbursement:

- Agency will pay Amtrak in accordance with the monthly payment schedule provided service operates at a deficit (see appendices)
- Invoices shall be rendered not less than forty-five (45) days prior to the due date.
- Force majeure
- Monthly Reconciliation Statements to State IPR Agency
- Remedies in the event that Amtrak fails to perform the services as required by this Agreement or Amtrak fails to provide revenue credits or carryover excess contract revenues
- Remedies in the event the State IPR fails to provide payment to Amtrak

Section 5: Defense of Claims {may vary due to scope of work}

Section 6: Inspection and Audit:

- Agency has the right to inspect the rail passenger and bus feeder services, facilities and equipment provided for service subject to adequate notice
- Amtrak shall provide the number of passengers carried and passenger miles operated for each train as well as other service-related reports as agreed-to by Amtrak and the Agency. Such data shall be computed and furnished on a monthly basis as described in the appendices (varies by State).

Section 7: Dispute Resolution {May vary}

Section 8: Force Majeure

- The obligations of Amtrak hereunder shall be subject to force majeure.

Section 9: Termination

Section 10: Notices

Section 11: Agreement Content

Section 12: Construction {May vary by State}

Section 13: Severability

Section 14: Compliance with Collective Bargaining Agreements

- The State acknowledges the existence of collective bargaining agreements between Amtrak and certain labor organizations representing certain of Amtrak's employees, and agrees that Amtrak will provide the

Service in a manner consistent with its obligations and rights under such agreements, as they may exist from time to time.

Section 15: State-Required Provisions (unique to each State):

- Appropriation of Funds
- Non-Discrimination
- Fair Employment Practices
- Contractor Integrity

Signature Blocks

Appendices: (contents and number of appendices will vary by State):

- National Section 209 Policy
- Train Service Schedules (and Connecting Bus Service, if applicable)
- Budget
- Payment Schedule
- Examples of Services and Performance Standards {OPTIONAL}
 - Provision of Equipment—Availability and Condition
 - Equipment Maintenance Standards
 - Reliability of Service—On Time Performance
 - Maintenance of Stations
 - Crew Performance, Supervision and Standards
 - Food Service
 - Reservations/Call Center
 - Marketing Support
 - Other Services

EXHIBIT 5

	27	34	37	39
ARN	0	0	3348	0
BKY	0	0	19620	0
DAV	564	911	57664	0
EMY	7729	4843	47207	16186
FMT	0	0	5636	0
GAC	0	0	16156	0
HAY	0	0	4591	0
MTZ	2076	3142	43237	13684
OAC	0	0	2799	1
OKJ	0	5261	40972	8637
RIC	370	419	27902	6044
RLN	0	0	4325	0
RSV	989	0	6653	0
SAC	7416	7543	122045	18960
SJC	0	5365	24914	0
SUI	0	0	25823	0

Percentage of
CCJPA Time for
Single Station calls 63.40%

Percentage of
CCJPA Time for City
Pair calls 28.64%

Percentage of
CCJPA Time for
Station & Pair calls 92.04%

Percentage of
CCJPA Time for
CCJPA Specific calls 7.96%

Duration in Minutes of
All CCJPA Specific
Calls 9.3

Minutes per day
Spent on CCJPA
specific calls 0.110333

Total Minutes Amtrak
Allocated to CCJPA
Calls 116.8333

Average Time per
Call 2.434028

	27	34	37	39 CCJPA	
ARN-BKY	0	0	145	0	1
ARN-DAV	0	0	442	0	1
ARN-EMY	0	0	873	0	1
ARN-FMT	0	0	6	0	1
ARN-GAC	0	0	8	0	1
ARN-HAY	0	0	7	0	1
ARN-MTZ	0	0	185	0	1
ARN-OAC	0	0	65	0	1
ARN-OKJ	0	0	178	0	1
ARN-RIC	0	0	426	0	1
ARN-RLN	0	0	4	0	1
ARN-RSV	0	0	11	0	1
ARN-SAC	0	0	4450	0	1
ARN-SJC	0	0	33	0	1
ARN-SUI	0	0	22	0	1
BKY-DAV	0	0	15265	0	1
BKY-EMY	0	0	235	0	1
BKY-FMT	0	0	19	0	1
BKY-GAC	0	0	4009	0	1
BKY-HAY	0	0	9	0	1
BKY-MTZ	0	0	1101	0	1
BKY-OAC	0	0	15	0	1
BKY-OKJ	0	0	149	0	1
BKY-RIC	0	0	44	0	1
BKY-RLN	0	0	180	0	1
BKY-RSV	0	0	150	0	1
BKY-SAC	0	0	11300	0	1
BKY-SJC	0	0	3205	0	1
BKY-SUI	0	0	3243	0	1
DAV-EMY	55	92	20926	0	1
DAV-EUG	0	1	0	0	0
DAV-FMG	1	0	0	0	0
DAV-FMT	0	0	2058	0	1
DAV-GAC	0	0	2967	0	1
DAV-GBB	1	0	0	0	0
DAV-GJT	1	0	0	0	0
DAV-GRI	0	0	0	0	0
DAV-GSC	1	0	0	0	0
DAV-HAS	1	0	0	0	0
DAV-HAY	0	0	1124	0	1
DAV-HER	1	0	0	0	0
DAV-KEL	0	1	0	0	0
DAV-KFS	0	1	0	0	0
DAV-LAX	0	1	0	0	0
DAV-LNK	1	0	0	0	0
DAV-MCK	1	0	0	0	0
DAV-MTP	1	0	0	0	0
DAV-MTZ	27	26	12291	0	1
DAV-NPV	1	0	0	0	0
DAV-OAC	0	0	539	0	1
DAV-OKJ	0	23	8789	0	1
DAV-OLW	0	1	0	0	0
DAV-OMA	1	0	0	0	0
DAV-OSC	1	0	0	0	0
DAV-OTM	1	0	0	0	0
DAV-OXN	0	1	0	0	0
DAV-PCT	1	0	0	0	0
DAV-PDX	0	1	0	0	0
DAV-PRB	0	1	0	0	0
DAV-PRO	1	0	0	0	0

DAV-RDD	0	1	0	0	0
DAV-RIC	32	69	14825	0	1
DAV-RLN	0	0	682	0	1
DAV-RNO	1	0	0	0	0
DAV-RSV	26	0	2285	0	1
DAV-SAC	73	15	21782	0	1
DAV-SBA	0	1	0	0	0
DAV-SEA	0	1	0	0	0
DAV-SIM	0	1	0	0	0
DAV-SJC	0	104	5637	0	1
DAV-SLC	1	0	0	0	0
DAV-SLM	0	1	0	0	0
DAV-SLO	0	1	0	0	0
DAV-SNS	0	1	0	0	0
DAV-SUI	0	0	4369	0	1
DAV-TAC	0	1	0	0	0
DAV-TRU	1	0	0	0	0
DAV-VAN	0	1	0	0	0
DAV-VNC	0	1	0	0	0
DAV-WIP	1	0	0	0	0
DAV-WNN	1	0	0	0	0
EMY-EUG	0	1	0	0	0
EMY-FMG	1	0	0	0	0
EMY-FMT	0	0	2382	0	1
EMY-FNO	0	0	0	1	0
EMY-GAC	0	0	5652	0	1
EMY-GBB	1	0	0	0	0
EMY-GJT	1	0	0	0	0
EMY-GRA	1	0	0	0	0
EMY-GRI	1	0	0	0	0
EMY-GSC	1	0	0	0	0
EMY-HAS	1	0	0	0	0
EMY-HAY	0	0	426	0	1
EMY-HER	1	0	0	0	0
EMY-HLD	1	0	0	0	0
EMY-HNF	0	0	0	1	0
EMY-KEL	0	1	0	0	0
EMY-KFS	0	1	0	0	0
EMY-LAX	0	1	0	0	0
EMY-LNK	1	0	0	0	0
EMY-MCD	0	0	0	1	0
EMY-MCK	1	0	0	0	0
EMY-MDR	0	0	0	1	0
EMY-MOD	0	0	0	1	0
EMY-MTP	1	0	0	0	0
EMY-MTZ	8	14	2488	387	1
EMY-NPV	1	0	0	0	0
EMY-OAC	0	0	78	0	1
EMY-OKJ	0	62	627	71	1
EMY-OLW	0	1	0	0	0
EMY-OMA	1	0	0	0	0
EMY-OSC	1	0	0	0	0
EMY-OTM	1	0	0	0	0
EMY-OXN	0	1	0	0	0
EMY-PCT	1	0	0	0	0
EMY-PDX	0	1	0	0	0
EMY-PRB	0	1	0	0	0
EMY-PRO	1	0	0	0	0
EMY-RDD	0	1	0	0	0
EMY-RIC	0	2	212	19	1
EMY-RLN	0	0	347	0	1

EMY-RNO	1	0	0	0	0
EMY-RSV	184	0	1804	0	1
EMY-SAC	325	235	42825	0	1
EMY-SBA	0	1	0	0	0
EMY-SEA	0	1	0	0	0
EMY-SIM	0	1	0	0	0
EMY-SJC	0	56	7070	0	1
EMY-SKN	0	0	0	1	0
EMY-SKT	0	0	0	1	0
EMY-SLC	1	0	0	0	0
EMY-SLM	0	1	0	0	0
EMY-SLO	0	1	0	0	0
EMY-SNS	0	1	0	0	0
EMY-SUI	0	0	9150	0	1
EMY-TAC	0	1	0	0	0
EMY-TRK	0	0	0	1	0
EMY-TRU	1	0	0	0	0
EMY-VAN	0	1	0	0	0
EMY-VNC	0	1	0	0	0
EMY-WAC	0	0	0	1	0
EMY-WIP	1	0	0	0	0
EMY-WNN	1	0	0	0	0
FMT-GAC	0	0	957	0	1
FMT-HAY	0	0	6	0	1
FMT-MTZ	0	0	49	0	1
FMT-OAC	0	0	13	0	1
FMT-OKJ	0	0	150	0	1
FMT-RIC	0	0	23	0	1
FMT-RLN	0	0	2	0	1
FMT-RSV	0	0	17	0	1
FMT-SAC	0	0	4374	0	1
FMT-SJC	0	0	1136	0	1
FMT-SUI	0	0	124	0	1
GAC-HAY	0	0	3307	0	1
GAC-MTZ	0	0	827	0	1
GAC-OAC	0	0	234	0	1
GAC-OKJ	0	0	6716	0	1
GAC-RIC	0	0	1178	0	1
GAC-RLN	0	0	12	0	1
GAC-RSV	0	0	2	0	1
GAC-SAC	0	0	5142	0	1
GAC-SJC	0	0	336	0	1
GAC-SUI	0	0	615	0	1
HAY-MTZ	0	0	36	0	1
HAY-OAC	0	0	1	0	1
HAY-OKJ	0	0	504	0	1
HAY-RIC	0	0	26	0	1
HAY-RLN	0	0	3	0	1
HAY-RSV	0	0	10	0	1
HAY-SAC	0	0	3033	0	1
HAY-SJC	0	0	1228	0	1
HAY-SUI	0	0	172	0	1
MTZ-OAC	0	0	61	0	1
MTZ-OKJ	0	4	23866	125	1
MTZ-OLW	0	1	0	0	0
MTZ-OMA	1	0	0	0	0
MTZ-OSC	1	0	0	0	0
MTZ-OTM	1	0	0	0	0
MTZ-OXN	0	1	0	0	0
MTZ-PCT	1	0	0	0	0
MTZ-PDX	0	1	0	0	0

MTZ-PRB	0	1	0	0	0
MTZ-PRO	1	0	0	0	0
MTZ-RDD	0	1	0	0	0
MTZ-RIC	7	10	732	131	1
MTZ-RLN	0	0	201	0	1
MTZ-RNO	1	0	0	0	0
MTZ-RSV	122	0	732	0	1
MTZ-SAC	356	66	38355	0	1
MTZ-SBA	0	1	0	0	0
MTZ-SEA	0	1	0	0	0
MTZ-SIM	0	1	0	0	0
MTZ-SJC	0	23	1109	0	1
MTZ-SKN	0	0	0	1	0
MTZ-SKT	0	0	0	1	0
MTZ-SLC	1	0	0	0	0
MTZ-SLM	0	1	0	0	0
MTZ-SLO	0	1	0	0	0
MTZ-SNS	0	1	0	0	0
MTZ-SUI	0	0	5692	0	1
MTZ-TAC	0	1	0	0	0
MTZ-TRK	0	0	0	1	0
MTZ-TRU	1	0	0	0	0
MTZ-VAN	0	1	0	0	0
MTZ-VNC	0	1	0	0	0
MTZ-WAC	0	0	0	1	0
MTZ-WIP	1	0	0	0	0
MTZ-WNN	1	0	0	0	0
OAC-OKJ	0	0	130	1	1
OAC-RIC	0	0	35	0	1
OAC-RLN	0	0	25	0	1
OAC-RSV	0	0	82	0	1
OAC-SAC	0	0	3550	0	1
OAC-SJC	0	0	986	0	1
OAC-SUI	0	0	239	0	1
OKJ-OLW	0	1	0	0	0
OKJ-OXN	0	1	0	0	0
OKJ-PDX	0	1	0	0	0
OKJ-PRB	0	1	0	0	0
OKJ-RDD	0	1	0	0	0
OKJ-RIC	0	3	99	25	1
OKJ-RLN	0	0	164	0	1
OKJ-RSV	0	0	1105	0	1
OKJ-SAC	0	71	24551	0	1
OKJ-SBA	0	1	0	0	0
OKJ-SEA	0	1	0	0	0
OKJ-SIM	0	1	0	0	0
OKJ-SJC	0	91	9097	0	1
OKJ-SKN	0	0	0	1	0
OKJ-SKT	0	0	0	1	0
OKJ-SLM	0	1	0	0	0
OKJ-SLO	0	1	0	0	0
OKJ-SNS	0	1	0	0	0
OKJ-SUI	0	0	4515	0	1
OKJ-TAC	0	1	0	0	0
OKJ-TRK	0	0	0	1	0
OKJ-VAN	0	1	0	0	0
OKJ-VNC	0	1	0	0	0
OKJ-WAC	0	0	0	1	0
RIC-RLN	0	0	419	0	1
RIC-RNO	1	0	0	0	0
RIC-RSV	63	0	778	0	1

RIC-SAC	60	81	33769	0	1
RIC-SBA	0	1	0	0	0
RIC-SEA	0	1	0	0	0
RIC-SIM	0	1	0	0	0
RIC-SJC	0	13	1048	0	1
RIC-SKN	0	0	0	1	0
RIC-SKT	0	0	0	1	0
RIC-SLC	1	0	0	0	0
RIC-SLM	0	1	0	0	0
RIC-SLO	0	1	0	0	0
RIC-SNS	0	1	0	0	0
RIC-SUI	0	0	3307	0	1
RIC-TAC	0	1	0	0	0
RIC-TRK	0	0	0	1	0
RIC-TRU	1	0	0	0	0
RIC-VAN	0	1	0	0	0
RIC-WAC	0	0	0	1	0
RIC-WNN	1	0	0	0	0
RLN-SAC	0	0	6383	0	1
RLN-SJC	0	0	22	0	1
RLN-SUI	0	0	192	0	1
RSV-SAC	72	0	5719	0	1
RSV-SJC	0	0	61	0	1
RSV-SLC	1	0	0	0	0
RSV-SUI	0	0	596	0	1
RSV-TRU	1	0	0	0	0
RSV-WNN	1	0	0	0	0
SAC-SBA	0	1	0	0	0
SAC-SEA	0	1	0	0	0
SAC-SIM	0	1	0	0	0
SAC-SJC	0	291	18079	0	1
SAC-SKN	0	0	0	1	0
SAC-SKT	0	0	0	1	0
SAC-SLC	1	0	0	0	0
SAC-SLM	0	1	0	0	0
SAC-SLO	0	1	0	0	0
SAC-SNS	0	1	0	0	0
SAC-SUI	0	0	18996	0	1
SAC-TAC	0	1	0	0	0
SAC-TRK	0	0	0	1	0
SAC-TRU	1	0	0	0	0
SAC-VAN	0	1	0	0	0
SAC-VNC	0	1	0	0	0
SAC-WAC	0	0	0	1	0
SAC-WIP	1	0	0	0	0
SAC-WNN	1	0	0	0	0
SJC-SLM	0	1	0	0	0
SJC-SLO	0	1	0	0	0
SJC-SNS	0	1	0	0	0
SJC-SUI	0	0	850	0	1
SJC-TAC	0	1	0	0	0
SJC-VAN	0	1	0	0	0
SJC-VNC	0	1	0	0	0