

Northern New England Passenger Rail Authority



January 2016



Board of Directors Briefing Materials

January 25, 2016

NNEPRA Office
75 West Commercial Street
Suite 104
Portland, Maine 04101



BOARD of DIRECTORS MEETING AGENDA

January 25, 2016

1:00pm

1. Motion to open Public Session
2. Approval of Minutes from December 2015 Meeting
3. Performance Update
4. Finance Report
5. Layover Construction update
6. Executive Director's Report
7. Other Business
8. Public Comment

Next Scheduled Meeting: March 28, 2016



**Minutes of the Meeting of the Board of Directors
Northern New England Passenger Rail Authority**

December 14, 2015
Portland, Maine

Directors in attendance:

Mr. Martin Eisenstein, Mr. Dana Connors, Mr. John Bubier, Mr. David Bernhardt, Mr. Ronald McKinnon and Ms. Carolann Ouellette

Staff in attendance:

Ms. Patricia Quinn, Ms. Marina Douglass, Mr. Brian Beeler, Mr. James Russell, Ms. Natalie Bogart, and Ms. Theresa Diffin

Interested parties:

Mr. Steve Corcoran, Amtrak; Mr. Kenneth Stimson, Drummac; Mr. Daniel Leary, Amtrak; Mr. Wayne Davis, TrainRiders Northeast; Ms. Emily Boochever, All Aboard Brunswick; Ms. Alison Harris, All Aboard Brunswick; Ms. Nelia Dunbar, All Aboard Brunswick; Mr. Charles Dunbar, All Aboard Brunswick; Ms. Kathy Wilson, Brunswick Town Council; Mr. Dana Knapp, Concord Coach, and Mr. Paul Weiss, MRTC & Sierra Club.

Commencement:

Vote to open Public Session at 12:35pm

Motion:

Seconded:

Accepted: All

Vote to go into Executive Session at 12:36pm

Motion: Mr. Bubier

Seconded: Mr. Bernhardt

Accepted: All

Per 1 MRS Section 405(6) (A) to discuss the employment, assignment, duties, and compensation of NNEPRA staff.

Per 1 MRS Section 405(6) (C) and 23 MRS Section 8115-A to discuss negotiations to discuss negotiations with MBTA regarding possible amendments to the contract for improvements to certain MBTA rail lines.

Motion to re-open Public Session

Motion: Mr. Connors

Seconded: Mr. McKinnon

Accepted: All

Out of Executive Session into Public Session at 1:05 pm

Minutes of August 24 & October 21, 2015 Meetings

Vote to accept minutes as presented by the staff.

Motion: Mr. Bubier

Seconded: Mr. Connors

Accepted: All

DOWNEASTER PERFORMANCE REPORT

- Ms. Quinn reviewed the performance information noting that ridership FY16 is less than FY15 due to a number of contributing factors including the delayed tie installation project, poor OTP during the previous year, low gas prices and fewer events in Boston.
- OTP for October was 67.1%, November was 82.7% and December is strong to date. Trains are performing well, demonstrating a dramatic decline in the average delay minutes per train.
- Customer satisfaction scores are in the 90's.

- Mr. Beeler reported on a number of initiatives aimed to improve customer experience:
 - Weekly inspections of train sets have been implemented to improve cleanliness and thanked Mr. Corcoran and Mr. Stimson for the extra effort and noticeable improvements.
 - More local products are being offered in the café.
 - A new coffee has been introduced as well.
 - A new employee recognition program is being rolled out as well to acknowledge excellent service and encourage positive attitudes. Three positive comments complimenting employees were received just this week.

- Ms. Quinn stated the pet program is going well.

- Ms. Bogart provided an overview of a Blogger Campaign which was implemented to increase awareness of the Downeaster and illustrate the many activities and attractions along the Downeaster route. As in past years, she noted that a \$16 fare for 2016 will be in effect during the month of January.

- Ms. Quinn announced that Mr. Simpson with Drummac will be retiring the end of year. Mr. Eisenstein presented a picture of the Downeaster to him in appreciation of all his efforts. It is a tribute to your service and dedication.

FINANCE REPORT – Marina Douglass

- Ms. Douglass presented the October budget variance report

Vote to accept Finance Report for August 2015 and October 2015

Motion: Mr. Connors

Seconded: Mr. Bubier

Accepted: All

EXECUTIVE DIRECTOR AND STAFF REPORTS

a. Brunswick Layover- Construction update.

Mr. Matt Tonello, Consigli Project Engineer hosted a tour of the Brunswick layover construction site on December 12, 2015 for neighbors to understand more about the project and to dispel claims that the project is contaminating neighboring properties. It was attended by neighbors, some town officials, and other interested parties. It was well received, although some neighbors chose to leave due to the participation of other residents.

Construction of the layover is going well and is being closely monitored by Consigli, NNEPRA's Clerk of the Works and the Third Party Inspector who reports to MaineDEP.

Mr. Russell reviewed the photo gallery of the layover construction, clearing has been completed, coal ash has been handled in accordance with the VRAP, a fence has been installed and footins are nearly complete. Structural steel has arrived, and crews will spend the next month erecting the building structure. There has been no need to dewater.

Mr. Eisenstein inquired about the schedule and Mr. Russell said they were slightly ahead of schedule.

Ms. Quinn mentioned that the Maine Eastern Railroad is no longer providing passenger service from Brunswick to Rockland. Ms. Quinn proposed that NNEPRA rent the space Maine Eastern Railroad occupied at Brunswick Station. The cost would be approximately \$500 per month.

Motion to support NNEPRA renting space at Brunswick Station if the price is \$500 or less per month.

Motion: Mr. Bubier

Seconded: Mr. Connors

Accepted: All

Other Business

Ms. Quinn informed the board that Mr. Boardman will be leaving the Amtrak Board of Directors and that it will likely lead to changes.

The recently passed FAST Act sanctioned and funded the "209 Committee". The act could make new grant opportunities available, but may also increase insurance costs. There will be additional Amtrak grants for program grade crossings and state of good repair. This is an acknowledgement that we are part of the transportation system. Work is continuing with Amtrak on PIDS signs.

Ms. Bogart mentioned two recent charity events in which NNEPRA participated, including Toys for Tots and the Sparkle Express in Freeport and Brunswick. The Downeaster has increased its merchandise in the store on line.

Ms. Quinn addressed NNEPRA staffing and proposed a full-time marketing assistant position instead of a part-time graphics position.

Motion to add Marketing and Sales position and replace the Graphic Design part-time position.

Motion: Mr. Connors

Seconded: Mr. McKinnon

Accepted: All

Ms. Quinn also announced Ms. Terri Diffin will be retiring the end of this year and the Board of Directors presented her with a framed picture thanking her for her dedication and service to NNEPRA.

Mr. Dunbar inquired about delays and plans for track work next year. NNEPRA is ordering 15,000 ties for next year and would probably start installation in October 2016. It will involve a smaller geographic area, and will not have the negative impact the previous project had on service.

Mr. Weiss spoke about changes in the transportation infrastructure and suggested there be a consideration of electrification and opportunities to market to the point of green transportation.

Mr. Weiss also inquired about the status of the Lewiston service study. Commissioner Bernhardt said there is a workplan, funding for the study, and that he is in communication with municipalities. Mr. Weiss also inquired as to why a vender hasn't be sought for the Brunswick to Rockland line. Mr. Bernhardt stated the main effort is for the freight and there will be opportunities when the third train comes into Brunswick.

Mr. Davis reminded everyone that the Downeaster Inaugural Run was Dec 14, 2001. The start of Downeaster' first revenue train was December 15, 2001. He also mentioned that the Sparkle Express is one of the best endeavors of the Downeaster.

Public Comment

Vote to adjourn: 2:35 pm

Motion:

Seconded:

Accepted: All

NEXT MEETING: January 25, 2016

Downeaster Performance FY2016 To Date

RIDERSHIP				
	Projected	Actual	Variance to Target	
July	34,100	37,349	3,249	10%
August	48,050	46,215	(1,835)	-4%
September	42,000	40,622	(1,378)	-3%
October	37,802	41,868	4,066	11%
November	42,000	39,588	(2,412)	-6%
December	38,689	38,010	(679)	-2%
Total	242,641	243,652	1,011	1%

* Note that complete ridership data for December is not yet available.

REVENUE				
	Projected	Actual	Variance to Target	
July	\$ 562,650	\$ 587,570	24,920	4%
August	\$ 816,850	\$ 819,638	2,788	0%
September	\$ 716,974	\$ 696,095	(20,879)	-3%
October	\$ 619,107	\$ 707,151	88,044	14%
November	\$ 750,143	\$ 689,592	(60,551)	-8%
December	\$ 691,486	\$ 670,971	(20,515)	-3%
Total	\$4,157,210	\$4,171,017	\$ 13,807	0%

AVERAGE FARE				OTP
	Projected	Actual	Variance	
July	\$ 16.50	\$ 15.73	\$ (0.77)	18%
August	\$ 17.00	\$ 17.74	\$ 0.74	66%
September	\$ 17.07	\$ 17.14	\$ 0.07	71%
October	\$ 16.38	\$ 16.89	\$ 0.74	67%
November	\$ 17.86	\$ 17.42	\$ (0.44)	85%
December	\$ 17.87	\$ 17.65	\$ (0.22)	86%
Total	\$ 17.13	\$ 17.12	\$ 0.74	

Customer Satisfaction

	FY2016	FYTD	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
Downeaster Customer Satisfaction Scores	Goal	Average	DE	DE	DE	DE	DE	DE
Overall CSI- Downeaster	95	88	62	93	91	93	93	94
Value of Amtrak Service for Price Paid	91	86	65	91	90	90	90	91
Overall Cleanliness of Train	90	90	83	90	90	90	93	93
Clarity of Announcements	90	83	66	86	84	86	87	86
Friendliness/Helpfulness of Train Conductor - Downeaster	95	93	87	94	94	94	95	95
Friendliness/Helpfulness of Café Car Personnel	95	91	87	92				94
Quality/Freshness of Food in Café Car	90	82	76	84				87
Overall Experience in Café Car-Downeaster	90	84	79	85				88

PRELIMINARY VARIANCE REPORT - NOVEMBER 2015							
	Current Month Actual	Current Month Budget	Current Month Variance	Year to Date Actual	Year to Date Budget	Year to Date Variance	Year to Date Percent
Revenues							
Operating Revenue							
Amtrak Ticket Revenue	689,592	750,120	(60,528)	3,500,045	3,465,757	34,288	1%
Food Service Revenue	41,036	67,555	(26,519)	253,488	328,549	(75,061)	-23%
Advertising Revenue	0	0	0	840	840	0	0%
Parking Lot Revenue	31,348	28,000	3,348	176,178	169,576	6,602	4%
Interest on Accounts	299	334	(35)	1,960	1,703	258	15%
Other Revenue	18,475	12,547	5,928	101,008	66,196	34,811	53%
Total Operating Revenues	780,750	858,556	(77,806)	4,033,518	4,032,621	897	0%
Expenses							
Wages and Benefits							
Permanent Full-Time	29,911	29,911	0	149,614	149,614	0	0
Benefits	16,947	16,947	0	80,366	80,366	0	0
Total Wages and Benefits	46,858	46,858	0	229,980	229,980	0	0%
Administration							
Office Expenses	9,040	10,527	(1,487)	43,897	49,493	(5,596)	-11%
Professional Services	16,711	8,583	8,128	102,451	57,667	44,784	78%
Insurance	2,446	2,447	(1)	12,230	12,233	(4)	0%
Board Operations	854	1,294	(440)	6,163	6,469	(306)	-5%
Total Administration Expense	29,051	22,851	6,201	164,741	125,862	38,879	31%
Train Operations							
Amtrak Operations	1,083,606	1,168,771	(85,165)	5,083,036	5,244,115	(161,080)	-3%
Train Fuel Cost	125,221	299,250	(174,030)	653,063	1,337,447	(684,384)	-51%
PanAm	107,188	108,454	(1,267)	535,579	541,912	(6,333)	-1%
Other Train Operations	1,628	3,606	(1,978)	18,162	19,771	(1,610)	-8%
Insurance	1,290	1,988	(698)	6,450	8,552	(2,102)	-25%
Layover Facility	13,606	12,809	797	55,750	52,698	3,052	6%
Capital Maintenance	0	0	0	21,722	2,815	18,907	0%
Total Train Operations	1,332,539	1,594,878	(262,339)	6,373,762	7,207,310	(833,548)	-12%
Station Operations							
Portland Station	28,100	28,100	0	140,500	140,500	0	0%
Platform Ins	10,767	10,767	0	53,834	53,834	0	0%
Station Platform Leases	0	0	0	31,813	31,813	0	0%
Other Station Improvements	169	169	0	1,003	1,003	0	0%
Total Station Operations	39,036	39,036	0	227,150	227,150	0	0%
Food Service							
Regular	62,019	79,014	(16,995)	334,743	397,163	(62,420)	-16%
Total Food Service	62,019	79,014	(16,995)	334,743	397,163	(62,420)	-16%
Marketing	17,765	17,765	0	123,048	123,066	(18)	0%
Total Marketing	17,765	17,765	0	123,048	123,066	(18)	0%
Total Expenses	1,527,269	1,800,402	(273,133)	7,453,424	8,310,531	(857,107)	-10%
Additional Funding Required	746,518	941,846	(195,328)	3,419,906	4,277,910	(858,004)	-20%

PRELIMINARY VARIANCE REPORT - DECEMBER 2015							
	Current Month Actual	Current Month Budget	Current Month Variance	Year to Date Actual	Year to Date Budget	Year to Date Variance	Year to Date Percent
Revenues							
Operating Revenue							
Amtrak Ticket Revenue	670,971	691,372	(20,401)	4,171,016	4,157,129	13,887	0%
Food Service Revenue	59,271	62,018	(2,747)	312,759	390,567	(77,808)	-20%
Advertising Revenue	0	0	0	840	840	0	0%
Parking Lot Revenue	27,420	25,000	2,420	203,598	194,576	9,022	5%
Interest on Accounts	368	334	34	2,328	2,036	291	14%
Other Revenue	14,009	12,547	1,462	109,454	78,743	30,710	39%
Total Operating Revenues	772,038	791,271	(19,233)	4,799,994	4,823,892	(23,898)	0%
Expenses							
Wages and Benefits							
Permanent Full-Time	36,063	36,063	0	185,677	185,677	0	0
Benefits	18,409	18,409	0	98,775	98,775	0	0
Total Wages and Benefits	54,472	54,472	0	284,452	284,452	0	0%
Administration							
Office Expenses	7,357	10,282	(2,925)	51,254	59,775	(8,521)	-14%
Professional Services	8,340	8,583	(244)	110,790	66,250	44,540	67%
Insurance	2,446	2,691	(245)	14,675	14,924	(249)	-2%
Board Operations	1,462	1,379	83	7,625	7,848	(222)	-3%
Total Administration Expenses	19,605	22,936	(3,331)	184,345	148,797	35,548	24%
Train Operations							
Amtrak Operations	1,083,104	1,168,771	(85,667)	6,165,708	6,412,886	(247,179)	-4%
Train Fuel Cost	142,370	299,250	(156,880)	821,424	1,636,697	(815,273)	-50%
PanAm	107,188	108,454	(1,267)	642,766	650,366	(7,600)	-1%
Other Train Operations	4,082	3,606	476	22,244	23,378	(1,134)	-5%
Insurance	1,290	1,988	(698)	7,740	10,539	(2,799)	-27%
Layover Facility	13,369	11,829	1,540	69,119	64,527	4,592	7%
Capital Maintenance	0	465	(465)	21,722	3,280	18,442	562%
Total Train Operations	1,351,403	1,594,363	(242,960)	7,750,724	8,801,673	(1,050,950)	-12%
Station Operations							
Portland Station	28,100	28,100	0	168,600	168,600	0	0%
Platform Ins	10,767	12,598	(1,831)	64,601	66,432	(1,831)	-3%
Station Platform Leases	0	0	0	31,813	31,813	0	0%
Other Station Improvements	356	375	(19)	1,359	1,378	(19)	-1%
Total Station Operations	39,223	41,073	(1,850)	266,374	268,223	(1,850)	-1%
Food Service							
Regular	68,425	83,373	(14,948)	403,168	480,536	(77,368)	-16%
Total Food Service	68,425	83,373	(14,948)	403,168	480,536	(77,368)	-16%
Marketing	60,792	60,792	0	183,840	183,858	(18)	0%
Total Marketing	60,792	60,792	0	183,840	183,858	(18)	0%
Total Expenses	1,593,920	1,857,009	(263,089)	9,072,903	10,167,540	(1,094,637)	-11%
Additional Funding Required	821,882	1,065,737	(243,856)	4,272,909	5,343,647	(1,070,738)	-20%