

# Northern New England Passenger Rail Authority



## January 2015

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### **Board of Directors Briefing Materials**

January 27, 2015

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

**AmtrakDowneaster.com**



# FY2015 Action Plan

Northern New England Passenger Rail Authority 75 W. Commercial Street, Portland, ME 04101 207-780-1000

## Meet or exceed projected Performance Benchmarks

- Exceed 50% total cost recovery
- Achieve 90% OTP
- Achieve 80% Café Cost Recovery in Café.
- Exceed 90% in all CSI categories

## Improve Service Efficiency

- Begin Brunswick Layover Construction to eliminate deadheads, increase revenue service, eliminate idling
- Maximize revenue potential on peak performing trains.
- Improve reliability through tie replacement program.
- Increase performance of off-peak trains through targeted marketing campaigns.

## Improve Passenger Services & Communication

- Develop PIDS implementation plan
- Simplify Group Sales process
- Improve station displays
- Explore ways to improve bicycle access.

## Complete Service Development Plan

- Review and refine key objectives
- Finalize infrastructure improvement plan

## Begin MBTA Infrastructure Improvement Project

- Finalize Scope & Budget
- Begin Construction

## Explore Options for Service Expansions

## Maintain Compliance with all Regulations

Work to secure a stable and dedicated funding mechanism to sustain Downeaster operations and continued capital investments in the Downeaster Corridor.



## **BOARD of DIRECTORS MEETING AGENDA**

November 24, 2014

12:30pm

1. Open Public Session
2. Motion to go into executive session to discuss contract negotiations.

1:00pm

3. Motion to re-open Public Session
4. Approval of Minutes from November 2014 Meeting
5. Downeaster Performance Update
6. Finance Report
7. Marketing Report
8. Executive Director and Staff Reports
9. Other Business
10. Public Comment
11. Next Scheduled Meeting: February 23, 2015



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

November 24, 2014  
Portland, Maine

**Directors in attendance:**

Mr. Martin Eisenstein, Mr. Dana Connors, Mr. David Bernhardt, Mr. George Gervais and Mr. Robert McEvoy.

**Staff in attendance:**

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

**Interested parties:**

Ms. Carolyn Ouellette, Director Maine Office of Tourism; Mr. Jeff Reynolds, Brunswick; Mr. Bill Dana, Brunswick; Ms. Emily Boochever, Brunswick; Mr. Wayne Davis, TrainRiders Northeast; Mr. Tony Donovan, Maine Rail Transit Coalition; Mr. Dana Knapp, Concord Coach Lines; Mr. Bill Lord, TrainRiders Northeast; Ms. Sue Moreau, Maine DOT; Mr. Nathaniel Rosenblatt, Farrell, Rosenblatt & Russell; Mr. Paul Weiss, Maine Rail Transit Coalition; Mr. Bruce Sleeper, TrainRiders Northeast; Mr. Ben Chipman, Maine Legislature; Ms. Alison Harris, Brunswick; Ms. Kathy Wilson, Downeaster Supporter; Mr. Tom Bell, Portland Press Herald; Mr. S. Victor Papacosma, Brunswick; Mr. Ted Allen, Brunswick; and, Mr. Richard Rudolph, Maine Rail Group.

**Commencement:**

Vote to open Public Session at 12:46 pm

Motion: Mr. Gervais  
Seconded: Mr. Connors  
Accepted: All

Vote to go into Executive Session at 1:02 pm

Motion: Mr. Connors  
Seconded: Mr. Bernhardt  
Accepted: All

Per 1 MRS Section 405(6) (E)

a. To discuss contract negotiations

Motion to re-open Public Session at 1:05 pm

Motion: Mr. Connors  
Seconded: Mr. Bernhardt  
Accepted: All

**Minutes of October 28, 2014 Meeting:**

Vote to accept minutes as presented by the staff.

Motion: Mr. Connors

Seconded: Mr. McEvoy  
Accepted: All

#### **DOWNEASTER PERFORMANCE REPORT**

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- The Downeaster experienced delays and annulled trains during October and November due to ties being replaced. Pan Am had some mechanical equipment issues that caused speed restrictions and additional delays. The Amtrak crews did a great job managing passenger service and Mr. Beeler took care of calls regarding the delays.
- Tie installation was scheduled to be completed in October, but Pan Am agreed to work longer this fall continuing delays and cancelled trains. Tie installation will definitely conclude this week. Ridership is down due to cancellations and delays. Revenue is still \$70,000 more than last year. Fiscal year to date, Downeaster ridership is holding is approximately 8,000 riders behind last year at this time. In the month of November, 39 trains have been cancelled and ridership is approximately 4,200 less than last year.
- Ms. Bogart spoke about fare specials which were put in place to encourage ridership during construction periods. 1,500 riders took advantage of this promotion in November.
- Tie installation will resume in the spring, and additional delays will be expected in the spring. Approximately 23,000 ties need to be installed.
- Since expanded service to Freeport and Brunswick began on November 1, 2012. 101,000 riders have travelled to or from those stations.
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#### **FINANCE REPORT – Marina Douglass**

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##### **Budget Variance Report**

- Operating Revenues for October were \$9,000 more than budget projections and expenses were \$58,000 less than budgeted.
- Year to date revenue of \$3.7 million is 3% more than budgeted; expenses are \$379,000 less than budgeted. Fuel is less than expected.
- Mr. Beeler stated Café revenues still exceed budget numbers, and acknowledged Epicurean manager, Jamie Demetriou and crews.
- CSI scores have been very good. Trending CSI scores for overall satisfaction are in the 90's.

Vote to accept the Variance Report

Motion: Mr. Connors  
Seconded: Mr. McEvoy  
Accepted: All

- Ms. Douglass stated that the cost of insurance renewal would increase by only \$859. The umbrella policy hasn't changed and is a major policy.
- MacPage has completed the 2014 Financial Audit. No changes were made since the Annual Meeting and there were no findings and no changes suggested.

Vote to accept audit report

Motion: Mr. Bernhardt

Seconded: Mr. Gervais

Accepted: All

## **EXECUTIVE DIRECTOR AND STAFF REPORTS**

### **Staff Presentations**

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The Amtrak cost agreement is due for re-negotiation. Ms. Quinn proposed that the Board agree to enter into a two-year agreement for FFY15 and FFY16.

Motion to agree to an Amtrak two-year Cost Agreement with a fixed rate for FY15 and FY16.

Motion: Mr. Connors

Seconded: Mr. Bernhardt

Accepted: All

- Ms. Quinn made a presentation to the AOCC Passenger Rail Coalition. They are anxious for passenger rail service to Auburn, Bethel and Montreal.
- Ms. Quinn met with Mr. Moulton from MaineDOT and representatives from Maine Eastern Railroad to discuss connecting with the Downeaster next year, suggesting that a schedule be developed to attract both a day trip market (to Rockland) and connecting service to the Downeaster.
- NNEPRA is working with Kennebunk and MaineDOT on their platform construction. Service will not begin before summer 2016.
- NNEPRA staff met with Mr. Jonathan Carter, Town Manager of Wells. Well is interested in extending their platform to accommodate bicycles.
- The next meeting of the Maine Rail Advisory Council will be regarding funding and the FTA and FDA will speak.
- NNEPRA is waiting for approval of the Stormwater Permit from the DEP for the Brunswick layover. The application is complete and awaiting a DEP decision. The Brunswick West Neighborhood Coalition requested a public hearing on NNEPRA's application. NNEPRA is still confident in our contractors and the Stormwater plan presented. Air quality and water flow analyses have also been provided to MDEP. No other permits required for the layover at this point. Mr. Rosenblatt stated that, at the Public Hearing, NNEPRA and others will provide testimony, with cross examination. It is more formal than just a public meeting. Hearing are unusual for a stormwater permits.
- Mr. Russell noted that the MBTA/ Haverhill Line Project is moving forward and should go to bid in the spring with construction expected to begin in the summer. The existing construction agreement with MBTA will need some modifications to reflect the changes in project scope and approach.
- Ms. Bogart reported that the Train to Maine campaign is launching today at Boston North Station offering a Buy One-Get One Free (BOBO) offer for some travel periods. Travel packages are selling well to Boston shows. Black Friday specials include added trains and fares for Freeport shopping. NNEPRA will be hosting Toys for Tots trains December 1-5, at the PTC, in cooperation with the U.S. Marine Corps. Approximately 500 first and second grade children from southern Maine will travel free on the

Downeaster those days in exchange for a donated toy. This will be the 14<sup>th</sup> year of NNEPRA's participation in this program. Freeport's Sparkle Express train will operate two round trips between Freeport and Brunswick on Saturday, December 6. 500 tickets for the event have already been sold and proceeds will benefit Freeport USA and Camp Sunshine.

Mr. Eisenstein stated that there would not be a Board meeting in December due to conflicts with holidays, and that the next meeting would be on January 27, 2015.

#### **Other Business**

- Mr. Sleeper, attorney for TrainRiders Northeast, commented on a letter he sent to Ms. Quinn asserting that Mr. McEvoy has a conflict of interest regarding the construction of the Brunswick layover facility and therefore should not be involved in decisions regarding the layover facility. Mr. Sleeper would like to be involved in future discussions regarding this matter. Mr. Eisenstein said it would be Mr. McEvoy's decision not his. Mr. Eisenstein said if Board members have a financial interest or an appearance of a conflict regarding a specific issue, it should be disclosed in advance.. The Chairman will ask counsel to advise on the matter.
- Mr. Sleeper asked Mr. McEvoy what information he provided for his nomination to the board. Mr. McEvoy stated he filled out the appropriate forms for the Governor's office.
- Mr. Lord commented that Mr. McEvoy sent a letter to the DEP raising issues with NNEPRA's stormwater application and expressed concern that the letter was not discussed with or sent to NNEPRA Staff or Board, and that Mr. McEvoy did not identify himself as a member of the Board in the letter. Mr. Eisenstein said if he did not represent himself as a member of the board then he has the right to send that letter.
- Ms. Emily Boochever read a letter addressed to the NNEPRA board expressing the same concerns, suggesting that Mr. McEvoy resign or recuse himself from discussions on the layover facility.
- Ms. Boochever stated that 1,880 storm water permit requests have been filed with the DEP since the process began in 1997 and NNEPRA's application is the first to have a hearing.
- Mr. Rosenblatt, legal counsel for NNEPRA, spoke about the statute, first reporting that State law states that Board members should avoid an appearance of conflict. Statute also says you can't participate in any matter where you have a direct and substantial interest.. If the member does participate, he could incur financial liability (personal). Mr. Eisenstein said the Board is not responsible to enforce the statute. The Attorney General's office would need to enforce it. More disclosure and transparency is important whenever anyone serves on a board. Mr. Connors felt it was an awkward situation and that NNEPRA should have further consultation with its attorney.
- Mr. Sleeper asked Mr. McEvoy what he submitted to the Governor, and he said it was public information. Mr. Eisenstein asked Ms. Douglass to see if the information was posted on the website of the legislature.
- Mr. Reynolds also read a letter to the Board with similar concerns.

- Mr. Weiss expressed his opinion that property values of home near the layover site are likely to improve.
- Ms. Harris, who volunteers at the Brunswick Station, commented on the positive feedback from November promotions.
- Mr. Donovan, Maine Rail Coalition, expressed his support of passenger rail for economic development and said his organization supports NNEPRA's Royal Siding Project, and thought it should be part of a bond funding package. He said he believe the Portland wye and recreation trail project should be delayed and that a line between Lewiston/Auburn and Portland is important, as well as restoration of the diamond at Yarmouth Junction, and transportation to and from Montreal. Mr. Eisenstein said the Board favors passenger rail service to Lewiston/Auburn but that improvement to the core service must come first.

### **Public Comment**

Vote to adjourn: 2:49 pm

Motion:

Seconded:

Accepted: All

**NEXT MEETING: January 27, 2015**



<b>PRELIMINARY VARIANCE REPORT - November 2014</b>							
	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
<b>Revenues</b>							
<b>Operating Revenue</b>							
Amtrak Ticket Revenue	628,192	668,000	(39,808)	3,804,934	3,804,170	764	0%
Food Service Revenue	42,148	50,000	(7,852)	310,055	281,672	28,383	10%
Advertising Revenue	0	0	0	6,840	6,000	840	0%
Parking Lot Revenue	26,024	27,000	(976)	166,476	165,922	554	0%
Interest on Accounts	273	206	67	1,530	1,031	499	48%
Other Revenue	14,250	12,391	1,859	101,108	70,185	30,923	44%
<b>Total Operating Revenues</b>	<b>710,887</b>	<b>757,597</b>	<b>(46,710)</b>	<b>4,390,944</b>	<b>4,328,981</b>	<b>61,964</b>	<b>1%</b>
<b>Expenses</b>							
<b>Wages and Benefits</b>							
Permanent Full-Time	30,629	30,629	0	151,208	151,208	(0)	(0)
Benefits	14,276	14,276	0	70,673	70,672	2	0
<b>Total Wages and Benefits</b>	<b>44,905</b>	<b>44,905</b>	<b>0</b>	<b>221,881</b>	<b>221,880</b>	<b>1</b>	<b>0%</b>
<b>Administration</b>							
Office Expenses	8,588	9,979	(1,391)	47,637	47,057	580	1%
Professional Services	6,848	8,708	(1,860)	20,234	21,542	(1,307)	-6%
Insurance	2,422	2,485	(64)	12,108	12,426	(318)	-3%
Board Operations	1,160	1,145	15	5,206	5,723	(517)	-9%
<b>Total Administration Expense</b>	<b>19,018</b>	<b>22,317</b>	<b>(3,300)</b>	<b>85,186</b>	<b>86,747</b>	<b>(1,562)</b>	<b>-2%</b>
<b>Train Operations</b>							
Amtrak Operations	982,099	982,099	(0)	4,625,306	4,625,306	(0)	0%
Train Fuel Cost	256,701	324,900	(68,199)	1,218,850	1,624,500	(405,650)	-25%
PanAm	106,747	106,747	0	453,369	533,737	(80,367)	-15%
Other Train Operations	4,298	5,749	(1,451)	16,982	20,743	(3,762)	-18%
Insurance	1,290	1,655	(365)	6,286	6,933	(647)	-9%
Layover Facility	9,694	12,444	(2,750)	46,183	50,637	(4,454)	-9%
Capital Maintenance	0	0	0	0	0	0	0%
<b>Total Train Operations</b>	<b>1,360,830</b>	<b>1,433,594</b>	<b>(72,764)</b>	<b>6,366,975</b>	<b>6,861,857</b>	<b>(494,881)</b>	<b>-7%</b>
<b>Station Operations</b>							
Portland Station	28,100	28,100	0	140,500	140,500	0	0%
Platform Ins	10,748	10,748	0	53,740	53,740	0	0%
Station Platform Leases	0	0	0	31,611	32,249	(638)	0%
Other Station Improvements	0	0	0	0	0	0	0%
<b>Total Station Operations</b>	<b>38,848</b>	<b>38,848</b>	<b>0</b>	<b>225,851</b>	<b>226,490</b>	<b>(638)</b>	<b>0%</b>
<b>Food Service</b>							
Regular	70,164	60,463	9,700	390,881	338,781	52,099	15%
<b>Total Food Service</b>	<b>70,164</b>	<b>60,463</b>	<b>9,700</b>	<b>390,881</b>	<b>338,781</b>	<b>52,099</b>	<b>15%</b>
Marketing	51,656	51,656	0	133,161	133,341	(180)	0%
<b>Total Marketing</b>	<b>51,656</b>	<b>51,656</b>	<b>0</b>	<b>133,161</b>	<b>133,341</b>	<b>(180)</b>	<b>0%</b>
<b>Total Expenses</b>	<b>1,585,420</b>	<b>1,651,783</b>	<b>(66,363)</b>	<b>7,423,935</b>	<b>7,869,096</b>	<b>(445,161)</b>	<b>-6%</b>
<b>Additional Funding Required</b>	<b>874,533</b>	<b>894,186</b>	<b>(19,653)</b>	<b>3,032,991</b>	<b>3,540,115</b>	<b>(507,125)</b>	<b>-14%</b>

<b>PRELIMINARY VARIANCE REPORT - December 2014</b>							
	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
<b>Revenues</b>							
<b>Operating Revenue</b>							
Amtrak Ticket Revenue	653,631	719,740	(66,109)	4,458,565	4,523,910	(65,345)	-1%
Food Service Revenue	59,607	52,500	7,107	369,663	334,172	35,490	11%
Advertising Revenue	0	0	0	6,840	6,000	840	0%
Parking Lot Revenue	24,144	27,000	(2,856)	190,620	192,922	(2,302)	-1%
Interest on Accounts	237	206	31	1,768	1,238	530	43%
Other Revenue	14,009	12,404	1,604	115,117	82,589	32,528	39%
<b>Total Operating Revenues</b>	<b>751,629</b>	<b>811,851</b>	<b>(60,222)</b>	<b>5,142,573</b>	<b>5,140,831</b>	<b>1,742</b>	<b>0%</b>
<b>Expenses</b>							
<b>Wages and Benefits</b>							
Permanent Full-Time	30,384	30,384	0	181,591	181,592	(0)	(0)
Benefits	14,125	14,125	0	84,799	84,797	2	0
<b>Total Wages and Benefits</b>	<b>44,509</b>	<b>44,509</b>	<b>0</b>	<b>266,390</b>	<b>266,389</b>	<b>1</b>	<b>0%</b>
<b>Administration</b>							
Office Expenses	11,153	14,302	(3,149)	58,791	61,359	(2,568)	-4%
Professional Services	0	208	(208)	20,234	21,750	(1,516)	-7%
Insurance	2,460	2,734	(274)	14,568	15,160	(592)	-4%
Board Operations	954	1,215	(261)	6,160	6,938	(778)	-11%
<b>Total Administration Expense</b>	<b>14,568</b>	<b>18,459</b>	<b>(3,892)</b>	<b>99,753</b>	<b>105,207</b>	<b>(5,454)</b>	<b>-5%</b>
<b>Train Operations</b>							
Amtrak Operations	982,099	982,099	(0)	5,607,405	5,607,405	(1)	0%
Train Fuel Cost	219,049	324,900	(105,851)	1,437,899	1,949,400	(511,501)	-26%
PanAm	106,747	106,747	0	560,117	640,484	(80,367)	-13%
Other Train Operations	3,521	3,749	(228)	20,502	24,492	(3,990)	-16%
Insurance	1,290	1,655	(365)	7,576	8,588	(1,012)	-12%
Layover Facility	11,393	13,478	(2,085)	57,576	64,116	(6,539)	-10%
Capital Maintenance	0	0	0	0	0	0	0%
<b>Total Train Operations</b>	<b>1,324,099</b>	<b>1,432,628</b>	<b>(108,529)</b>	<b>7,691,075</b>	<b>8,294,485</b>	<b>(603,410)</b>	<b>-7%</b>
<b>Station Operations</b>							
Portland Station	28,100	28,100	0	168,600	168,600	0	0%
Platform Ins	10,767	12,543	(1,776)	64,507	66,283	(1,776)	-3%
Station Platform Leases	0	0	0	31,611	32,249	(638)	0%
Other Station Improvements	0	0	0	0	0	0	0%
<b>Total Station Operations</b>	<b>38,867</b>	<b>40,643</b>	<b>(1,776)</b>	<b>264,718</b>	<b>267,132</b>	<b>(2,414)</b>	<b>-1%</b>
<b>Food Service</b>							
Regular	77,995	63,001	14,994	468,875	401,782	67,093	17%
<b>Total Food Service</b>	<b>77,995</b>	<b>63,001</b>	<b>14,994</b>	<b>468,875</b>	<b>401,782</b>	<b>67,093</b>	<b>17%</b>
Marketing	20,468	20,468	0	153,629	153,809	(180)	0%
<b>Total Marketing</b>	<b>20,468</b>	<b>20,468</b>	<b>0</b>	<b>153,629</b>	<b>153,809</b>	<b>(180)</b>	<b>0%</b>
<b>Total Expenses</b>	<b>1,520,505</b>	<b>1,619,708</b>	<b>(99,202)</b>	<b>8,944,440</b>	<b>9,488,804</b>	<b>(544,363)</b>	<b>-6%</b>
<b>Additional Funding Required</b>	<b>768,877</b>	<b>807,857</b>	<b>(38,980)</b>	<b>3,801,867</b>	<b>4,347,973</b>	<b>(546,105)</b>	<b>-13%</b>

<b>DOWNEASTER PERFORMANCE STATISTICS</b>					
<b>November 2014</b>					
<b>Performance Stats</b>	Ridership	Revenue	Fare/Pax	Pass Mi	Mi/Pax
Actual November 2014	35,172	\$ 628,192	\$ 17.86	2,844,787	81
Actual November 2013	44,730	\$ 748,036	\$ 16.72	3,652,980	82
FY2015 Year to date	218,617	\$3,804,935	\$ 17.40	18,131,190	83
FY2014 Year to date*	238,564	\$3,787,207	\$ 15.88	20,882,451	88
*FY13 Ridership adjusted to reflect ticket lifts , not allocated passengers reported by Amtrak.					
<b>City Pair Ridership November 2014</b>	# Riders	Revenue	Avg Fare	% Total Riders	% Total Revenue
Boston-North - Portland	7,764	\$171,710	\$ 22.12	22%	27%
Boston-North - Exeter	4,210	\$60,711	\$ 14.42	12%	10%
Boston-North - Durham	4,614	\$83,187	\$ 18.03	13%	13%
Boston-North - Dover	2,675	\$46,026	\$ 17.21	8%	7%
Boston-North - Saco	2,666	\$52,997	\$ 19.88	8%	8%
Boston-North - Wells	2,837	\$48,805	\$ 17.20	8%	8%
Boston-North - Brunswick	1,802	\$45,068	\$ 25.01	5%	7%
Boston-North - Haverhill	1,536	\$18,335	\$ 11.94	4%	3%
Boston-North - Freeport	623	\$11,858	\$ 19.03	2%	2%
<b>Total</b>	<b>28,727</b>	<b>\$538,697</b>	<b>\$ 18.75</b>	<b>82%</b>	<b>86%</b>
<b>On Time Performance</b>	<b>Average overall OTP for November 2014</b>				
	<b>15.80%</b>				
100%	None				
90-99%	None				
80-89%	None				
Below 80%	All Trains				
<b>Customer Satisfaction Score</b>	Downeaster October 2014		Amtrak October 2014		
Overall CSI	79%		82%		
Overall Cleanliness of Train	90%		85%		
Friend. /Helpful of Conductors	91%		88%		
Friendliness of Café Attendent	91%		85%		
Quality of Café Food	86%		76%		
Overall Café Experience	86%		77%		