

Northern New England Passenger Rail Authority



November 2014



Board of Directors Briefing Materials

November 24, 2014

**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

12:45pm

1. Open Public Session
2. Motion to go into executive session pursuant to 1 MRS Section 405(6)(E) to discuss contract negotiations.

1:00pm

3. Motion to re-open Public Session
4. Approval of Minutes from October 28, 2014 Annual Meeting
5. Downeaster Performance Update
6. Finance Report
7. Executive Director and Staff Reports
8. Public Comment
9. Next Scheduled Meeting: December 22, 2014



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

October 28, 2014

GPCOG, Portland, Maine

Directors in attendance:

Mr. Martin Eisenstein, Mr. John Bubier, Mr. David Bernhardt,
Mr. Robert McEvoy and Ms. Carolann Ouellette.

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:

Mr. Neal Allen, GPCOG; Mr. Daniel Barufaldi, City of Dover NH; Ms. Emily Boochever, Brunswick; Mr. Tim Bryant, VHB; Mr. Steve Corcoran, Amtrak; Mr. Wayne Davis, TrainRiders Northeast; Ms. Kathleen de Silva, Rinck Advertising; Ms. Jamie Demetriou, Epicurean Feast; Mr. Tony Donovan, Maine Rail Transit Coalition; Mr. John Duncan, GPCOG; Mr. Gordon Edington, VHB; Ms. Kelly Edwards, Freeport USA; Mr. John Eldridge, Town of Brunswick; Ms. Sue Granholm, Freeport USA; Mr. Steve Grasso, North American Travel; Mr. Andrew Jacobs, Pan Am Railways; Mr. Dana Knapp, Concord Coach Lines; Ms. Harmony Llanto, Maine Eastern RR; Mr. Bill Lord, TrainRiders Northeast; Mr. Mike Lyne, JHR Development; Mr. Luke McCaul, Pan Am Railways; Mr. Peter McGuire, The forecaster; Mr. Chad Merritt, Consigli Construction; Ms. Sue Moreau, MDOT; Mr. Jeff Reynolds, Brunswick; Mr. Peter Rinck, Rinck Advertising; Mr. Nathaniel Rosenblatt, Farrell, Rosenblatt & Russell; Mr. Randy Seaver, Power Engineers; Mr. Bruce Sleeper, TrainRiders Northeast; Mr. Christian Smith, McPage; Mr. John Swinconeck, The Times Record; Mr. Richard Trahey, Maine Governmental Relations; and Mr. B.J. White, Amtrak.

Commencement:

Vote to open Public Session at 6:07pm

Motion: Mr. Bubier

Seconded: Mr. Bernhardt

Accepted: All

Per 1 MRS Section 405(6) (E)

a. To discuss contract negotiations

Minutes of August 25, 2014 Meeting

Vote to accept minutes as presented by the staff.

Motion: Mr. Bubier

Seconded: Mr. Bernhardt

Accepted: All

Downeaster Performance Update – First Quarter FY15

- Ms. Quinn stated the first quarter of FY15 was challenging. A tie replacement program was scheduled for spring 2014 but was deferred until fall 2014 due to a shortage of ties. As a result of poor tie conditions, a number of slow orders placed on the railroad between Portland and Plaistow. Pan Am crews worked through July to replace ties in critical areas along the Portland-Plaistow corridor resulting in the cancellation of 52 trains during the peak summer travel period. The trains that did operate were impacted slow orders affecting on time performance.
- Downeaster ridership for the quarter was 4% less than the first quarter of FY14; however revenue was slightly greater than the previous year. Revenue is 2% greater than budget projections fiscal year to date.
- Customer Satisfaction Scores declined slightly from past months, primarily due to OTP, however average satisfaction remained higher than the Amtrak national average thanks to exceptional work of on-board crews and maintenance personnel.

Mr. Eisenstein recognized the efforts of Mr. Steve Corcoran and Mr. William (BJ) White of Amtrak for their efforts in keeping passengers informed about delays.

Finance Report

- Ms. Douglass reviewed the Variance Report for the first quarter of FY15..
- Revenue for July through September was \$90,000 more than budgeted (3%); expenses were \$286,679 (-6%) less than what was budgeted.
- Food service revenue was \$217,957 (14%) more than budgeted.
- Ms. Jamie Demetriou of Epicurean Feast, the manager of the Downeaster Café, was recognized for doing a great job during her first few months of the position, particularly related to the increase in sales. Fuel costs are less than budgeted and that trend is expected to continue.

Vote to accept the Variance Report

Motion: Mr. Bernhardt

Seconded: Mr. Bubier

Accepted: All

Brunswick Layover Project Update

Ms. Quinn reported that the Maine Department of Environmental Protection (DEP) Stormwater permit application is still in review. NNEPRA, as requested by the DEP, has provided a great deal of additional environmental information to increase the Department's understanding of the overall effects of the Project. The DEP has determined that the only permit needed is the Stormwater permit. Additional field work has been completed regarding the existing aquifer known to be below the site (Groundwater Flow Study). A letter stating a series of environmental questions beyond stormwater was received from the DEP Commissioner in August, requesting that NNEPRA provide details and supporting documentation in response.. There were a lot of questions being asked by the DEP, and it is assumed NNEPRA is being held to a higher standard since it is so controversial. The application was October 3rd the application was deemed complete for review by DEP on October 3, 2014. The Me. DEP has scheduled a Public Meeting on November 13, 2014 in Brunswick to gather input from the public. December 17, 2014 is the statutory deadline for a decision on the Stormwater permit.

FY2014 – The Year in Review

The NNEPRA staff made an informational presentation recapping the highlights of 2014. Mr. Mike Lyne, representing JHR Development and the Brunswick Station complex, noted that the Downeaster has contributed significantly to the financial success of that project.

Mr. John Bubier, NNEPRA Board Member and City Manager of Biddeford, provided an informational presentation regarding the positive economic impact of the Downeaster on the Saco-Biddeford community.

Mr. Dan Barufaldi, Economic Development Director from Dover, NH, made a brief presentation regarding the positive impact the Downeaster is having on economic development efforts in Dover, NH.

Mr. Stephen Pesci was recognized as the recipient of the 2014 Mitchell Award. Mr. Pesci was not able to attend the meeting, but will be presented with his award at a future NNEPRA Board meeting.

Other Business

Vote to name Mr. Bubier as Treasurer of the NNEPRA Board of Directors

Motion: Mr. Bernhardt

Seconded: Ms. Ouellette

Accepted: All

Public Comment

None

Vote to adjourn: 7:32 pm

Motion: Mr. McEvoy

Seconded: Mr. Bernhardt

Accepted: All

NEXT MEETING: November 24, 2014

PRELIMINARY VARIANCE REPORT - October 2014							
	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	682,079	680,000	2,079	3,176,743	3,136,170	40,573	1%
Food Service Revenue	52,684	50,000	2,684	267,908	231,672	36,235	16%
Advertising Revenue	0	0	0	6,840	6,000	840	0%
Parking Lot Revenue	44,788	42,360	2,428	140,452	138,922	1,530	1%
Interest on Accounts	277	206	71	1,257	825	432	52%
Other Revenue	14,306	12,391	1,915	86,858	57,794	29,064	50%
Total Operating Revenues	794,134	784,957	9,177	3,680,058	3,571,384	108,674	3%
Expenses							
Wages and Benefits							
Permanent Full-Time	30,842	30,842	0	120,579	120,579	(0)	(0)
Benefits	13,925	13,925	0	56,398	56,396	2	0
Total Wages and Benefits	44,767	44,767	0	176,976	176,975	1	0%
Administration							
Office Expenses	9,741	10,226	(485)	38,887	37,078	1,809	5%
Professional Services	12,000	12,208	(208)	12,791	12,833	(42)	0%
Insurance	2,422	2,485	(64)	9,686	9,941	(255)	-3%
Board Operations	1,035	1,145	(109)	4,046	4,578	(532)	-12%
Total Administration Expense	25,198	26,064	(866)	65,411	64,430	980	2%
Train Operations							
Amtrak Operations	982,099	982,099	(0)	3,643,207	3,643,207	(0)	0%
Train Fuel Cost	256,701	324,900	(68,199)	962,148	1,299,600	(337,452)	-26%
PanAm	106,747	106,747	0	346,622	426,989	(80,367)	-19%
Other Train Operations	3,213	3,749	(536)	12,684	14,995	(2,311)	-15%
Insurance	1,290	1,655	(365)	4,996	5,279	(283)	-5%
Layover Facility	12,540	12,044	496	36,489	38,193	(1,704)	-4%
Capital Maintenance	0	0	0	0	0	0	0%
Total Train Operations	1,362,590	1,431,194	(68,604)	5,006,146	5,428,263	(422,117)	-8%
Station Operations							
Portland Station	28,100	28,100	0	112,400	112,400	0	0%
Platform Ins	10,748	10,748	0	42,992	42,992	0	0%
Station Platform Leases	0	0	0	31,611	32,249	(638)	0%
Other Station Improvements	0	0	0	0	0	0	0%
Total Station Operations	38,848	38,848	0	187,003	187,642	(638)	0%
Food Service							
Regular	72,230	60,360	11,870	320,896	278,318	42,578	15%
Total Food Service	72,230	60,360	11,870	320,896	278,318	42,578	15%
Marketing	36,023	36,023	0	81,667	81,685	(18)	0%
Total Marketing	36,023	36,023	0	81,667	81,685	(18)	0%
Total Expenses	1,579,656	1,637,256	(57,600)	5,838,099	6,217,313	(379,214)	-6%
Additional Funding Required	785,522	852,299	(66,777)	2,158,041	2,645,929	(487,888)	-18%