

Northern New England Passenger Rail Authority



July 2017 (FY2018)



Board of Directors Briefing Materials

July 31, 2017

Saco Train Station
138 Main St & Saco Island on Main
Street, Saco, ME 04072

AmtrakDowneaster.com

FY2017 Draft Action Plan

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

July 28, 2016

Meet or exceed projected Performance Benchmarks

- Achieve 45% total cost recovery
- Achieve 85% OTP
- Achieve 80% Café Cost Recovery in Café.
- Exceed 90% in specified CSI categories

Improve Service Efficiency

- Eliminate Deadhead Trips.
- Improve equipment utilization.
- Increase performance on peak trains.
- Increase performance of off-peak trains.
- Seek cost saving measures in Café.

Improve Passenger Services & Communication

- Initiate 3rd Round Trip to Brunswick
- Improve Group process & Sales
- Implement PIDS
- Develop Station Ambassador Standards
- Improve Station Communication
- Explore ways to improve bicycle access

Sponsor Capital Projects to improve service quality and efficiency

- Complete Brunswick Layover
- Replace 15,000 Ties Portland-Wells
- Support implementation of Kennebunk Station
- Develop Wells Siding/Platform concept into a potential program.
- Significantly complete MBTA Project
- Initiate Royal Junction Siding Project
- Participate in Portland Station improvements

Explore Options for Service Expansions

- Continue work on L/A Study

Maintain Compliance with all Regulations

- Improve and enhance written Policies & Procedures
- Improve and enhance data collection & reporting
- Improve internal documentation processes.

Identify and Promote Economic and Public Benefits associated with the Downeaster.

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

July 31, 2017

Saco, Maine

12:30 pm Vote to open meeting
Vote to enter Executive Session

Motion to go into executive session pursuant to:

1. 1 MRS § 405(6)(C) and 23 MRS § 8115-A to discuss negotiations with Amtrak regarding the FY2017 and FY2018 agreement.

1:00pm (time approximate)

- Vote to Open Public Session
 - Introductions
 - Approval of Minutes from June 26, 2017 Board Meeting
 - Performance Update
 - Downeaster performance
 - FY2017 Year End Preliminary Review
 - Finance Report
 - June 2017 Preliminary Budget Variance Report
 - Project Updates
 - Executive Director's Report
 - FY2018 Goals
 - Other Business
 - Public Comment
 - Meeting adjourns.
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- Overview and walking tour of Saco Island Development projects to follow.

Next Meeting: September 25, 2017



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

June 26, 2017
Portland, Maine

Directors in attendance:

Mr. Brian Hobart, Mr. Ron McKinnon, Mr. John Melrose, Ms. Sue Moreau, Mr. Charles Large, Mr. George Gervais and Mr. Dana Connors

Staff in attendance:

Ms. Patricia Quinn, Ms. Natalie Bogart, Mr. James Russell, Mr. Brian Beeler, Mr. Stephen Houdlette, Ms. Marina Douglass and Ms. Jennifer Crosby

Interested parties:

Mr. Stephen Corcoran, Amtrak; Mr. Wayne Davis, TrainRiders Northeast; Mr. Paul Weiss; MRTC; Mr. Bill Lord, TrainRiders Northeast; Mr. George O’Keefe, TrainRiders Northeast; Mr. Todd Bookman, NHPR

Opening Remarks

Motion to open Public Session 12:18 pm

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

Vote to go into Executive Session 12:19 pm

Motion: Mr. Hobart
Seconded: Mr. McKinnon
Accepted: All

Motion to reopen Public Session 1:20 pm

Motion: Mr. McKinnon
Seconded: Mr. Large
Accepted: All

Vote to accept minutes as presented by the staff

Motion: Mr. McKinnon
Seconded: Mr. Hobart
Accepted: All

DOWNEASTER PERFORMANCE REPORT

- Ms. Quinn reviewed the Performance Report highlighting the following:

- Year to date ridership for fiscal year 2017 (July 2016 thru May 2017) is 465,000 passengers, 9% greater than projections. Revenues of \$7,880,243 are 7% greater than projections for the same period.
 - June 2017 is on target to meet 43,000 projected riders. Two service disruptions in June had potential to impact revenues.
 - In May, Downeaster trains experienced service disruptions for construction on the MBTA portion of the railroad and service outages related to crossing replacements.
 - May ridership was approximately 200 riders per day less than projected.
 - Overall CSI for May 2017 was 91 compared to Amtrak's national average of 84.
- Ms. Bogart provided a marketing update:
 - Major initiative is a complete redesign to the Amtrak Downeaster website, currently in the development phase with our ad agency, Rinck Advertising. The new site will simplify the user experience by streamlining click through navigation. NNEPRA will also have the ability to realize more data out of the website which is set to launch in mid-July.
 - The Train to Maine Campaign launched May 22, 2017, beginning the summer push to bring visitors to Maine. NNEPRA has seen significant increase in traffic to the website since this campaign launched.
 - NNEPRA secured the Amtrak vintage Dome Car for Downeaster service from August 19 thru September 24th. The Dome Car will be available on 4 trains per day. NNEPRA is working on putting a program together for the Dome Car working with our Café provider, NexDine, to develop special promotions to enhance experience.
 - Mr. Beeler reported on groups
 - Group ridership is right on target to last year numbers and continues to grow.
 - Ms. Crosby shared some group feedback received from groups who travelled in June 2017.

FINANCE REPORT – Marina Douglass

- Ms. Douglass presented the May 2017 variance report

Vote to accept May 2017 Variance Report

Motion: Mr. Connors

Seconded: Mr. Hobart

Accepted: All

FY2018 PROPOSED FARE PLAN

Ms. Quinn discussed the Fare Plan and the comments received.

- 23 comments were received on the fare plan:
 - 10 were related to bike fees.
 - 7 were related to Multi-ride pass fares
 - 4 comments supported the fare increases
 - 2 general comments were also received.
- After review of comments, a few modifications were made to the proposed fare plan including a lesser increase in passes for travel between Dover, Durham and Exeter.

Further discussion focused on the proposed increase in fares for bicycles (from \$5. To \$10).

- Ms. Quinn outlined the challenges associated with accepting bicycles on the Downeaster noting that the handling of bikes on the Downeaster takes considerable crew time and can impact reliability.
- Mr. Large commented on feedback regarding the proposed \$5 increase in fares for bicycles stating that NNEPRA can discourage passengers by doubling the fees. He also inquired about a particular comment which stated that an Amtrak conductor refused to accept a bicycle from a passenger without an advance reservation, noting that bicycles should be accepted if there is room.
- Mr. Connors commented that a case has been made in consideration of the extra time it takes to accommodate the bicycle and sensitivity to the extra time it takes to increase the bike fee.
- Mr. Weiss commented that bikes and trains are complimentary and argued that NNEPRA needs to be encouraging bikes and not raise the fees.
- Mr. McKinnon replied to Mr. Weiss noting that NNEPRA continues to work very hard to accommodate bikes and that there are many challenges.
- Ms. Quinn reiterated that NNEPRA works closely with the local bicycle coalition and Amtrak nationally. Bikes can only be accepted at limited Downeaster stations due to challenges with the Downeaster equipment; NNEPRA continues to work on piloting different options to accommodate bikes on trains.
- Mr. Beeler reported on bicycle fares nationally, noting that lowest Amtrak fee, except the Downeaster, is \$10. Mr. Large suggested that the bike fare be increased to \$8.00

Ms. Quinn discussed the comments that New Hampshire fare increases were disproportionate to Maine fare increases. She explained that Maine subsidizes the Downeaster and New Hampshire does not, and therefore the fare plan was structured to charge more per mile for passengers travelling outside Maine.

Vote to accept the Fare plan with the above changes

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

Ms. Quinn and Ms. Douglass discussed the FY2018 budget and changes made to the June 6, 2017 draft budget that included reductions in wages, professional services, Amtrak operations, fuel and marketing.

Vote to accept the FY2018 budget as presented as Version June 21,2017 (2)

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

Project Update – Jim Russell

- The MBTA project is still on schedule to be completed in September 2017. He anticipates that more service outage swill affect service. Outages are currently scheduled for July 22 and 23 and September 9 and 10.

- Royal Siding is in development with material and contractor procurements underway. The project is scheduled to be complete in 2018.
- The Brunswick Expansion Project is complete and the grant funding will expire June 30, 2017. Pan Am is still obligated to pick up ties, but can no longer receive payment.
- The operation of the Brunswick layover is going smoothly. Adjustments are still being made to the exhaust system. A DTMF switch is scheduled to be installed in the fall 2017 so that trains can more efficiently enter and exit the east end of the building.
- Work continues on the Fiscal Year 2017 Capital Maintenance program, and NNEPRA is working with Pan Am to finalize a program for FY2018.

EXECUTIVE DIRECTOR & STAFF REPORTS

- NNEPRA hosted the annual Ambassador Appreciation Lunch on June 5, 2017 to acknowledge and thank 120 Downeaster Ambassadors. NNEPRA continues to work with the hosts through Familiarization trips.
- Recent Amtrak staff vacancies at Portland Station created a shortage of customer service. NNEPRA staff and TrainRiders Northeast volunteers staffed the stations at busy times.
- It was noted that discussions to ban the sale of alcohol nips in Maine could impact the Downeaster Café operations and sales.
- Ms. Quinn suggested that July board meeting be held in Saco so that members could see the Saco Station and the development surrounding the station. The board agreed.
- Ms. Quinn presented a sole source justification to the Board to engage with Farrell Rosenblatt and Russell law firm. Nathaniel Rosenblatt has been NNEPRA's attorney since 1996. Prior to FY2015 MaineDOT paid for his services.

Vote to authorize NNEPRA to engage with Farrell Rosenblatt and Russell under a sole source procurement for legal services

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

Public Comment:

- Mr. Davis commented on how great the Ambassador luncheon was.
- Mr. Weiss suggested that the CO2 per passenger and per train should be calculated as another metric of the Downeaster success. He asked for an update to the status of the Lewiston Auburn Study. Ms. Quinn responded that the Selection Committee has made a consultant recommendation to the full group and negotiations are underway.
- Mr. Melrose stated that he is on the Maine Turnpike Authority Advisory Committee for the widening of Route 95 through Portland.

Vote to adjourn at 2:30 pm

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

NEXT MEETING: July 31, 2017

DOWNEASTER PERFORMANCE UPDATE FY2017

Ridership						
	FY2016 Actual	FY2017 Actual	FY2017 Target	Variance to Target	Var %	Passenger Miles
July	37,349	51,402	51,305	97	0%	4,376,310
August	46,215	53,627	53,165	462	1%	4,532,238
September	40,622	45,315	34,330	10,985	32%	3,661,021
October	41,868	38,979	26,000	12,979	50%	2,529,061
November	39,588	35,599	25,000	10,599	42%	2,396,395
December	38,010	38,259	39,750	(1,491)	-4%	3,107,583
January	30,949	37,915	33,500	4,415	13%	3,093,267
February	35,954	37,275	36,000	1,275	4%	2,980,081
March	39,820	41,829	42,900	(1,071)	-2%	3,368,114
April	42,189	46,318	43,800	2,518	6%	3,797,000
May	38,754	39,015	41,250	(2,235)	-5%	3,089,674
June	42,605	45,889	43,000	2,889		-
Total	473,923	511,422	470,000	41,422	9%	36,930,744

Revenue						
	FY2016 Actual	FY2017 Actual	FY2017 Target	Variance to Target	Var %	Avg Fare per Passenger
July	\$ 587,570	\$ 921,482	\$ 897,838	\$ 23,645	3%	\$ 17.93
August	\$ 819,638	\$ 942,790	\$ 943,679	\$ (889)	0%	\$ 17.58
September	\$ 696,095	\$ 752,830	\$ 585,498	\$ 167,332	29%	\$ 16.61
October	\$ 707,151	\$ 550,988	\$ 418,860	\$ 132,128	32%	\$ 14.14
November	\$ 689,592	\$ 539,612	\$ 408,750	\$ 130,862	32%	\$ 15.16
December	\$ 670,971	\$ 660,248	\$ 699,600	\$ (39,352)	-6%	\$ 17.26
January	\$ 523,381	\$ 651,837	\$ 561,125	\$ 90,712	16%	\$ 17.19
February	\$ 618,814	\$ 675,094	\$ 621,000	\$ 54,094	9%	\$ 18.11
March	\$ 677,322	\$ 730,978	\$ 742,170	\$ (11,192)	-2%	\$ 17.48
April	\$ 721,169	\$ 822,495	\$ 751,170	\$ 71,325	9%	\$ 17.76
May	\$ 663,377	\$ 631,889	\$ 707,438	\$ (75,548)	-11%	\$ 16.20
June	\$ 707,852	\$ 739,876	\$ 737,450	\$ 2,426	0%	\$ 16.12
Total	\$ 8,082,931	\$ 8,620,119	\$ 8,074,577	\$ 545,542	7%	\$ 16.86

Customer Satisfaction			
<i>Data For May 2017</i>	Downeaster	Amtrak	FY to Date
Overall Customer Satisfaction	91	84	90
Value of Amtrak Service for Price Paid	89	81	88
Overall Cleanliness of Train	91	85	90
Clarity of Announcements	84	79	83
Friendliness/Helpfulness of Train Conductor	94	89	92
Friendliness/Helpfulness of Café Car Personnel	95	87	93
Quality/Freshness of Food in Café Car	83	78	85
Overall Experience in Café Car	89	80	86

On Time Performance						
	January	February	March	April	May	June
2017	82%	74%	78%	89%	76%	70%
2016	79%	78%	93%	81%	81%	81%

PRELIMINARY VARIANCE REPORT - JUNE 2017							
	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	739,876	737,472	2,404	8,620,121	8,074,600	545,521	7%
Food Service Revenue	76,615	61,740	14,875	709,678	658,000	51,678	8%
Advertising Revenue	0	0	0	5,010	1,000	4,010	401%
Parking Lot Revenue	31,900	31,420	480	486,065	380,000	106,065	28%
Interest on Accounts	375	255	120	2,063	3,500	(1,437)	-41%
Other Revenue	21,960	28,510	(6,550)	311,960	258,005	53,955	21%
Total Operating Revenues	870,726	859,397	11,329	10,134,896	9,375,105	759,791	8%
Expenses							
Wages and Benefits							
Permanent Full-Time	32,940	41,827	(8,887)	372,604	384,219	(11,614)	(0)
Benefits	20,723	22,166	(1,443)	227,021	229,158	(2,137)	(0)
Total Wages and Benefits	53,663	63,993	(10,329)	599,625	613,377	(13,751)	-2%
Administration							
Office Expenses	19,564	21,627	(2,063)	122,649	131,662	(9,013)	(0)
Professional Services	5,628	10,778	(5,150)	135,070	138,778	(3,708)	(0)
Insurance	2,478	3,282	(804)	29,717	31,077	(1,359)	(0)
Board Operations	2,016	1,404	612	19,339	17,146	2,193	0
Total Administration Expenses	29,686	37,091	(7,405)	306,776	318,663	(11,887)	-4%
Train Operations							
Amtrak Operations	1,328,302	1,325,197	3,105	14,800,000	14,428,953	371,046	3%
Train Fuel Cost	142,646	171,000	(28,354)	1,580,334	2,052,000	(471,666)	-23%
PanAm	112,685	116,035	(3,350)	1,138,521	1,344,341	(205,820)	-15%
Other Train Operations	3,795	5,266	(1,471)	33,925	41,800	(7,875)	(3)
Insurance	0	2,300	(2,300)	2,000	25,000	(23,000)	-92%
Facilities	17,606	10,179	7,426	281,507	211,496	70,011	33%
Capital Maintenance	38,396	38,396	0	778,199	778,199	(0)	0%
Total Train Operations	1,643,430	1,668,374	(24,944)	18,614,485	18,881,789	(267,305)	-1%
Station Operations							
Portland Station	29,900	38,379	(8,479)	394,654	396,121	(1,467)	0%
Platform Ins	10,972	15,080	(4,108)	131,289	136,955	(5,666)	-4%
Station Platform Leases	7,365	13,311	(5,946)	39,368	46,715	(7,347)	-16%
Other Station Improvements	0	7,900	(7,900)	2,100	10,000	(7,900)	(1)
Total Station Operations	48,237	74,670	(26,434)	567,412	589,791	(22,380)	-4%
Food Service							
Regular	94,654	77,056	17,598	872,896	822,500	50,396	6%
Total Food Service	94,654	77,056	17,598	872,896	822,500	50,396	6%
Marketing	96,426	96,670	(245)	519,029	520,000	(971)	0%
Total Marketing	96,426	96,670	(245)	519,029	520,000	(971)	0%
Total Expenses	1,966,096	2,017,854	(51,758)	21,480,222	21,746,120	(265,898)	-1%
Additional Funding Required	1,095,371	1,158,457	(63,086)	11,345,326	12,371,015	(1,025,689)	-8%