
Board Briefing Materials

July 27, 2020

Virtual Meeting

1:00pm Public Session



For More Information

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**NORTHERN NEW ENGLAND
PASSENGER RAIL AUTHORITY**

NNEPRA FY2020 Action Plan

Core Objectives:

- Support and maintain a culture of safety.
- Maintain compliance with all regulations
- Enhance public benefits associated with the Downeaster.
- Work to secure a stable, dedicated and equitable funding mechanisms to sustain Downeaster operations and continued capital investments in the Downeaster Corridor.

Meet or exceed projected Downeaster Performance Benchmarks

- 50% Total Cost Recovery
- 85% On Time Performance
- 87% Café Cost Recovery in Café
- 93% Overall Customer Satisfaction

Improve Downeaster Service Efficiency

- Increase revenue on peak trains
- Explore new schedule options
- Increase performance on off-peak trains
- Improve cost recovery in Café

Improve Passenger Services & Communication

- Promote and improve connectivity to Amtrak network
- Seek ways to improve bicycle access
- Improve/promote last mile connectivity
- Enhance Station experience for passengers

Sponsor Capital Projects to improve safety, service quality and efficiency

- Royal Siding
- Dover Yard Siding
- Rockingham Siding
- Wells Siding

Explore Options for Service Improvement/Expansions

- Explore Portland Station improvement options and alternatives
- Implement a pilot for seasonal service on the Rockland Branch
- Develop a service plan for WEM-POR inbound commuter trip.
- Explore shuttle service between Westbrook/Rock Row development and Portland
- Explore feasibility of a platform at West Falmouth Crossing
- Support next steps of L/A Service Plan



NNEPRA BOARD of DIRECTORS

July 20, 2020

Northern New England Passenger Rail Authority

Virtual Zoom Meeting

1:00pm Vote to open meeting

- Welcome and Introductions
 - Ground rules for virtual format
- Approval of Minutes from June 22, 2020 Board Meeting
- Performance Update
 - Phase 1 Performance
 - Phase 2 Preliminary results
- Finance Update
 - FY2021 Budget
- Project Updates
- Other Business
- Public Comment

Next Meeting: TBD



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

June 22, 2020

Directors in attendance via Zoom Teleconference:

Mr. John Melrose, Chairman; Mr. Dana Connors, Vice Chairman; Mr. Brian Hobart; Mr. Steve Lyons; Mr. Ron McKinnon; Mr. Nate Moulton

Staff in attendance via Zoom Teleconference:

Ms. Patricia Quinn, Mr. Brian Beeler, Ms. Natalie Bogart, Ms. Jennifer Crosby, Mr. William Gayle, Ms. Leslie Guerrette, Mr. Stephen Houdlette, Mr. James Russell

Interested parties via Zoom Teleconference:

Mr. Stephen Corcoran, Amtrak; Mr. Kevin Chittenden, Amtrak; Mr. B.J. White, Amtrak; Ms. Kathleen DeSilva, Rinck; Mr. Nat Rosenblatt, Esquire; Mr. Stan Koski, Maine Rail Group; Mr. Richard Rudolph, Maine Rail Group; Mr. Rob Beanland, NexDine; Mr. Ralph Cusack, NexDine; Mr. Carmen Morello, NexDine; Mr. Bob Hall, Exeter Station Ambassador; Mr. Wayne Davis, TrainRiders Northeast; Mr. Dana Knapp, Concord Coach Lines; Mr. Jonathan Trott; Ms. Barbara Thompson.

Opening Remarks

Chairman Melrose opened the meeting by acknowledging the efforts of Wayne Davis and TrainRiders Northeast in successfully establishing Downeaster service 25 years ago this month and congratulating NNEPRA and all stakeholders in their efforts to improve the service over this time.

Motion to open Public Session at 1:08pm

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

Vote to accept the June 8, 2020 minutes

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

OVERVIEW OF DOWNEASTER SERVICE RESTORATION PERFORMANCE – Patricia Quinn

Patricia Quinn provided an overview of performance during the first week of service:

- Since the resumption of one round trip on Monday, June 15th there were 247 passengers over the five-day period with ridership increasing as the week went on, ending with 84 passengers on Friday, June 19th.
- Expecting roughly 60 passengers on Monday, June 22 compared to 41 last Monday.
- The 67 percent of passengers are one-way travelers while only 18 percent travelled round trip. For the week 15 percent of passengers were repeat riders. The composition of the tickets sold was roughly 90 percent adult, eight percent senior and two percent disabled.
- Ridership for the week has been stronger than the last week before service was suspended.

OVERVIEW OF DOWNEASTER SERVICE RESTORATION PHASE II IMPLEMENTATION - Patricia Quinn

Patricia Quinn provided an overview of the key elements of Phase II of the Downeaster Service Restoration and Recovery Plan. The implementation of Phase II would not begin until the current Tie Replacement Project is completed by Pan Am Railways. The current completion date is estimated to be July 13th. The goal of Phase II is to begin layering on additional trips in July as warranted and in compliance with any executive order. Highlights of Phase II Implementation include:

- Weekday service may include up to four daily round trips.
- Weekend service may include up to four daily round trips.
- At the discretion of each station community, Station services will be available.
- Café Service to resume with revised safety protocols and menu offerings.

All safety protocols would continue to remain in place in Phase II including the 50 percent cap on seat availability to allow for proper social distancing, face coverings for passengers and crew, and enhanced cleaning and sanitizing protocols.

Chairman Melrose noted in the past, NNEPRA staff has had the discretion to manage the service the best way possible and that the plan complies with Amtrak, Maine Department of Economic and Community Development, and the Centers for Disease Control safety frameworks.

Director Moulton noted it will be important moving forward to continue to work in concert with issued Executive Orders.

Following comments from the Board, the following motion was voted on:

Motion to Allow Additional Service as Outlined in Phase II Implementation with Notification of the Board and Concurrence of the Chairman

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

FINANCE UPDATE – FY2021 BUDGET – Patricia Quinn

Patricia Quinn provided overview of the FY2021 Budget highlighting the following:

- Projected ticket revenue is estimated slightly less than half the typical ridership.
- The budget maintains FY20 levels for administrative and facility costs.
- Amtrak operations and costs will be fixed through FFY2020 including fuel costs and host railroad costs. The FY21 Budget is assuming after September 30th there will be no additional relief in Amtrak costs are based on the costs of the 12 months prior to COVID, adjusted for inflation.
- The resulting additional funding required will be filled by federal and state funding.

Noting that there are many unknown in the coming months, NNEPRA continues to examine a number of approaches to reduce operating costs. Working in partnership with Amtrak, NNEPRA and other state supported services are working to develop better pricing models and greater transparency with costs of service levels.

Chairman Melrose requested clarification with the CARES Act funding availability in FY2021. Patricia noted the funding is with PACT and currently the transit providers are working together to distribute the funds with the

priority for these funds is to keep the transit services operating. PACTS will be evaluating funding requests on six month increments to cover operating revenue losses to sustain operations.

Chairman Melrose noted that page three included a list of potential service modifications to reduce operating costs and encouraged staff to pursue all opportunities moving forward. As demand dictates, marketing costs and café service should be adjusted to maximize value. Chairman Melrose noted that there should be a re-evaluation on a monthly basis with an expectation that three months from now the Board may make an amendment based on revised scenarios.

Vice Chairman Connors noted that financial impact of COVID continues to be difficult to foresee but the approach taken to the FY21 budget was sound.

Director Hobart did not have any objections to the budget. Treasurer McKinnon noted that Downeaster service is in the same position as many other industries in having to plan for a future we do not know and agreed that a monthly review is a prudent approach.

Mr. Moulton noted that examining cost savings will be important not only for this fiscal year but in future years as FHWA highway trust fund revenues are under initial estimates resulting in a potential shortfall two years earlier than expected.

Following discussion from the Board, the following motion was voted on:

Motion to Approve FY2021 Budget as Presented

Motion: Mr. Connors

Seconded: Mr. Hobart

Accepted: All

PROJECT UPDATES – Jim Russell

Jim Russell provided an update on the Tie Replacement Project noting that Pan Am Railways has installed nearly 5,000 ties. Pan Am crews have begun weekend work on the surfacing to catch up to tie installation and have closed the roughly five-mile difference. The goal for completion is before July 13th.

Jim Russell provided an update on the Wells CRISI grant noting the project is currently in the NEPRA process.

Chairman Melrose requested an update on the Portland Transportation Center Study. Patricia Quinn noted that the study continues with NNEPRA coordinating with MaineDOT's consultant on assumptions moving into Phase II of the study.

OTHER BUSINESS – Patricia Quinn

Patricia Quinn noted the annual Goals and Objectives are currently being reviewed. With the impacts from COVID, the focus for the Goals and Objectives in FY21 will be maximizing efficiencies and completing projects on time and on budget.

Brian Beeler provided an update on the Amtrak equipment procurement noting that at this time all impacted states have been involved in the procurement process. Based on the current schedule, new equipment would not be delivered until three to five years after Notice to Proceed is given.

Natalie Bogart provided an update on marketing efforts noting that NNEPRA has been actively working on building out messaging targeting essential travelers and is building out the messaging for Phase II service plan.

Patricia Quinn noted that the contract for NNEPRA's counsel Nat Rosenblatt is set to expire and requested extending the contract for another year. Approval for the sole source was provided by the Board in FY2017. The Federal Transit Administration would like to see this approved as a Board action. NNEPRA is currently in the middle of renegotiating its 20-year operating agreement with Amtrak and the historic knowledge having been legal counsel for 25 years and expertise Mr. Rosenblatt provides is a unique benefit in NNEPRA's interest.

Director Connors noted that for all the reasons outlined, move to extend legal services with Ferrell Rosenblatt and Russell as a sole source procurement.

Following discussion from the Board, the following motion was voted on:

Motion to Extend Legal Services with Ferrell, Rosenblatt, and Russell for one-year period.

Motion: Mr. Connors

Seconded: Mr. Hobart

Accepted: All

PUBLIC COMMENT

Wayne Davis, TrainRiders Northeast congratulated NNEPRA and the Amtrak crew in their ability to resume service in a safe and comfortable manner.

Steve Corcoran, Amtrak, noted that the experience from the Amtrak crew had been that the general public was fully compliant with ridership requirements. Many of the passengers told the crews they were very excited to see service resume and glad to have the option and are looking forward to resumption of additional service.

Richard Rudolph, Maine Rail Group, thanked the Board for the resumption of service and noted he would like to see additional service as soon as possible in July as the more service is provided the better off all will be, especially as bus service is not running.

Vote to adjourn at 1:47pm

Motion: Mr. Connors

Seconded: Mr. McKinnon

Accepted: All



Downeaster FY20 Ridership and Revenue Summary

| Ridership | | | | | | | Train Trips |
|--------------|---------------|----------------|---------------|--------------------|-------------|-------------------|--------------|
| | FY2019 Actual | FY2020 Actual | FY2020 Target | Variance to Target | Var % | Passenger Miles | |
| July | 57,912 | 55,168 | 57,552 | (2,384) | -4% | 4,515,558 | 310 |
| August | 56,332 | 60,944 | 56,332 | 4,612 | 8% | 5,055,002 | 304 |
| September | 39,730 | 47,817 | 50,926 | (3,109) | -6% | 3,820,523 | 293 |
| October | 43,784 | 50,363 | 48,104 | 2,259 | 5% | 4,055,899 | 309 |
| November | 42,753 | 47,573 | 43,353 | 4,220 | 10% | 3,846,258 | 296 |
| December | 40,215 | 46,260 | 41,019 | 5,241 | 13% | 3,822,197 | 304 |
| January | 37,963 | 42,431 | 38,722 | 3,709 | 10% | 3,357,664 | 310 |
| February | 40,460 | 42,817 | 41,269 | 1,548 | 4% | 3,389,376 | 290 |
| Pre-COVID | 359,149 | 393,373 | 377,278 | 16,095 | 4% | 31,862,477 | 2,416 |
| March | 46,787 | 18,278 | 47,723 | (29,445) | -62% | 1,438,951 | 230 |
| April | 48,694 | 299 | 51,316 | (51,017) | -99% | 42,606 | 34 |
| May | - | - | 45,375 | (45,375) | -100% | - | - |
| June | 48,234 | 768 | 48,960 | (48,192) | -98% | 62,976 | 24 |
| Total | 502,864 | 412,718 | 570,652 | (157,934) | -38% | 33,407,010 | 2,704 |

| Revenue | | | | | | | |
|--------------|---------------|---------------------|---------------|--------------------|-------------|--------------|--|
| | FY2019 Actual | FY2020 Actual | FY2020 Target | Variance to Target | Var % | Average Fare | |
| July | \$ 1,134,781 | \$ 1,041,369 | \$ 1,128,024 | \$ (86,655) | -8% | \$ 18.88 | |
| August | \$ 1,088,275 | \$ 1,160,971 | \$ 1,090,024 | \$ 70,947 | 7% | \$ 19.05 | |
| September | \$ 647,318 | \$ 902,068 | \$ 998,156 | \$ (96,088) | -10% | \$ 18.87 | |
| October | \$ 779,541 | \$ 963,346 | \$ 940,433 | \$ 22,913 | 2% | \$ 19.13 | |
| November | \$ 826,526 | \$ 930,673 | \$ 845,384 | \$ 85,289 | 10% | \$ 19.56 | |
| December | \$ 796,707 | \$ 925,716 | \$ 814,233 | \$ 111,483 | 14% | \$ 20.01 | |
| January | \$ 703,697 | \$ 802,329 | \$ 717,911 | \$ 84,418 | 12% | \$ 18.91 | |
| February | \$ 774,464 | \$ 827,930 | \$ 789,892 | \$ 38,037 | 5% | \$ 19.34 | |
| Pre-COVID | \$ 6,751,310 | \$ 7,554,403 | \$ 7,324,057 | \$ 230,346 | 3% | \$ 19.20 | |
| March | \$ 886,504 | \$ 403,535 | \$ 904,346 | \$ (500,811) | -55% | \$ 22.08 | |
| April | \$ 917,726 | \$ 37,463 | \$ 972,442 | \$ (934,979) | -96% | \$ 125.29 | |
| May | \$ - | \$ - | \$ 850,776 | \$ - | 0% | \$ - | |
| June | \$ 908,948 | \$ 26,133 | \$ 908,698 | \$ (882,565) | -97% | \$ 34.03 | |
| Total | \$ 9,464,487 | 8,021,533 | 10,960,318 | (2,938,785) | -27% | | |

FY20 – The Way Life Should Have Been if the Pandemic had not happened:

- 932 More Trains
- 193,374 More Riders with a year-end projected total of 586,747
- \$3,636,262 More Revenue with a year-end projected total of \$11,190,664

NNEPRA Draft FY2020 Board Variance Report

July 2019 - June 2020

| | Current Month | | | | Fiscal Year to Date | | | |
|--------------------------------------|-------------------|---------------------|-----------------------|--------------|----------------------|----------------------|-----------------------|---------------|
| | June Actual | June Budget | Variance | Percent | Actual | Budget | Variance | % |
| Revenues | | | | | | | | |
| Operating Revenue | | | | | | | | |
| Amtrak Ticket Revenue | \$ - | \$ 908,698 | \$ (908,698) | | \$ 7,943,089 | \$ 10,960,318 | \$ (3,017,229) | -38.0% |
| Food Service Revenue | \$ 116 | \$ 78,768 | \$ (78,652) | -100% | \$ 646,387 | \$ 945,221 | \$ (298,834) | -46.2% |
| Advertising Revenue | \$ - | \$ 83 | \$ (83) | -100% | \$ 667 | \$ 1,000 | \$ (333) | -49.9% |
| Parking Lot Revenue | | \$ 40,833 | \$ (40,833) | -100% | \$ 432,997 | \$ 490,000 | \$ (57,003) | -13.2% |
| Interest and Other Revenue | \$ 5,378 | \$ 26,418 | \$ (21,040) | -80% | \$ 289,667 | \$ 317,022 | \$ (27,355) | -9.4% |
| Total Operating Revenues | \$ 5,494 | \$ 1,054,801 | \$ (1,049,307) | -99% | \$ 9,312,807 | \$ 12,713,561 | \$ (3,400,754) | -36.5% |
| Expenses | | | | | | | | |
| Administration | | | | | | | | |
| Salaries & Benefits | \$ 68,508 | \$ 59,649 | \$ 8,860 | 13% | \$ 723,892 | \$ 715,787 | \$ 8,105 | 1.1% |
| Office Expenses | \$ 10,679 | \$ 9,956 | \$ 723 | 7% | \$ 110,057 | \$ 119,468 | \$ (9,411) | -8.6% |
| Professional Services | \$ 7,500 | \$ 5,333 | \$ 2,167 | 29% | \$ 149,250 | \$ 64,000 | \$ 85,250 | 57.1% |
| Insurance | \$ 1,980 | \$ 2,180 | \$ (200) | -10% | \$ 24,603 | \$ 26,164 | \$ (1,561) | -6.3% |
| Board Operations | \$ 1,705 | \$ 1,705 | \$ (0) | 0% | \$ 16,477 | \$ 20,461 | \$ (3,984) | -24% |
| Total Administration Expenses | \$ 90,372 | \$ 78,823 | \$ 11,549 | 13% | \$ 1,024,279 | \$ 945,880 | \$ 78,399 | 7.7% |
| Train Operations | | | | | | | | |
| Amtrak Operations | \$ 650,406 | \$ 1,452,648 | \$ (802,242) | -123% | \$ 13,785,737 | \$ 17,431,772 | \$ (3,646,035) | -26.4% |
| Train Fuel Cost | \$ - | \$ 176,158 | \$ (176,158) | | \$ 1,167,191 | \$ 2,113,898 | \$ (946,707) | -81.1% |
| Other Train Operations | \$ - | \$ 120,279 | \$ (120,279) | | \$ 1,139,632 | \$ 1,443,352 | \$ (303,720) | -26.7% |
| Facilities | \$ 23,658 | \$ 24,658 | \$ (1,000) | -4% | \$ 323,226 | \$ 295,892 | \$ 27,334 | 8.5% |
| Capital Maintenance | \$ 56,000 | \$ 69,491 | \$ (13,491) | -24% | \$ 833,888 | \$ 833,888 | \$ 0 | 0.0% |
| Total Train Operations | \$ 730,064 | \$ 1,843,233 | \$ (1,113,169) | -152% | \$ 17,249,674 | \$ 22,118,801 | \$ (4,869,127) | -28.2% |
| Station Operations | | | | | | | | |
| Portland Station | \$ 31,300 | \$ 31,300 | \$ - | 0% | \$ 372,400 | \$ 375,600 | \$ (3,200) | -0.9% |
| Platform Ins | \$ 11,145 | \$ 11,145 | \$ - | 0% | \$ 126,624 | \$ 133,740 | \$ (7,116) | -5.6% |
| Station Platform Leases | \$ 3,906 | \$ 3,906 | \$ - | 0% | \$ 42,965 | \$ 46,872 | \$ (3,907) | -9.1% |
| Other Station Improvements | \$ 725 | \$ 833 | \$ - | 0% | \$ 7,392 | \$ 10,000 | \$ (2,608) | -35.3% |
| Total Station Operations | \$ 47,076 | \$ 47,184 | \$ (108) | 0% | \$ 549,381 | \$ 566,212 | \$ (16,831) | -3.1% |
| Food Service | \$ 9,183 | \$ 78,768 | \$ (69,585) | -758% | \$ 822,736 | \$ 1,032,880 | \$ (210,144) | -25.5% |
| Marketing | \$ 37,500 | \$ 43,333 | \$ (5,833) | -16% | \$ 426,491 | \$ 520,000 | \$ (93,509) | -21.9% |
| Total Operating Expenses | \$ 914,195 | \$ 2,091,342 | \$ (1,177,147) | -129% | \$ 20,072,561 | \$ 25,183,773 | \$ (5,111,212) | -25.5% |
| Additional Funding Required | \$ 908,702 | \$ 1,036,542 | \$ (127,840) | -14% | \$ 10,759,755 | \$ 12,470,213 | \$ (1,710,457) | -15.9% |

Pandemic Service Recovery Performance Update:

| Phase 1: | Phase 2: |
|---|--|
| <ul style="list-style-type: none"> • Began June 15 | <ul style="list-style-type: none"> • Began July 20 |
| <ul style="list-style-type: none"> • Two Round Trips Monday – Friday | <ul style="list-style-type: none"> • Four Round Trips Daily |

Daily Ridership Since Reopening

