



\$205 Million Enacted; Amtrak Secure Through FY 2002

Senate Committee Approves \$1.2 Billion for 2003

The political side of Amtrak's funding trauma ended happily with the July 18 announcement that House-Senate conferees had agreed on a \$28.9 billion supplemental appropriations bill that included \$205 million for Amtrak. (For the business impact of the June saga, see p. 3.)

Amtrak's fate next hinges on an appropriation of \$1.2 billion for fiscal 2003, which begins October 1, 2002. The Senate Appropriations Committee approved that level July 25 in its 2003 DOT appropriations bill (S.2808; an interesting report on the bill is now at <thomas.loc.gov>). Senate floor action and House action comes after Labor Day.

The supplemental bill's total just exceeded the \$28.8-billion "line in the sand" drawn earlier by Budget Director Mitch Daniels. The White House said it was pleased Congress met President Bush's spending goal while providing new money for military training and airport safety. Bush signed H.R.4775 on August 2, making it Public Law 107-206.

Earlier, passage seemed doubtful because of big disagreements between the White House and Congressional appropriations leaders from both parties. Ultimately, a bipartisan effort cut the bill by \$2.9 billion, bringing the total close to

Daniels' figure. Senate Appropriations Chairman Robert C. Byrd (D.-W.Va.) gave Ranking Republican Ted Stevens (Alaska) much credit for the success. At the conference committee's final meeting, Byrd said, "If it were not for Ted Stevens, we wouldn't be here this morning."

With respect to Amtrak, the outcome is not what the Administration had in mind. On July 12, the Administration proposed a second loan to Amtrak of up to \$170 million. The July 13 *Washington Post* quoted DOT spokesman Len Alcivar: "A direct loan is really the way to go here...the more fiscally responsible of all options. An appropriation would be a continuation of the broken pattern of the last 30 years."

He failed to note that a loan would have continued another "broken pattern" of more recent years—increasing Amtrak's

debt burden, reducing the usefulness of next year's appropriation, and increasing the likelihood of yet another funding crisis before September 30, 2003.

Fiscal 2003 Funding

Senate Commerce Chairman Ernest F. Hollings, in a July 16 letter to Secretary of Transportation Norman Y. Mineta, expressed concern that Federal Railroad Administrator Allan Rutter, at a July 10 hearing, linked Administration support for more than \$521 million to the Administration's proposed reforms.

Hollings said such reforms should be dealt with in an authorization bill, not appropriations. He repeated the complaint he voiced at a June 27 hearing that his committee has yet to receive either a formal legislative proposal from the Administration, or comments on S.1991. ■

NARP on Derailment and Slow Orders

NARP issued this statement August 5:

"The National Association of Railroad Passengers is deeply concerned about the disruption so many have faced as a result of the July 29 derailment of the *Capitol Limited* at Kensington, Md., particularly those who were injured..."

"In the wake of that accident, CSX imposed severe 'heat orders' slowing passenger trains to speeds slower than CSX's own intermodal trains..."

"We are concerned that the impact of such severe restrictions is to reduce the overall safety of the U.S. transportation system by encouraging passengers to switch to automobiles, which are statistically far less safe than trains."

"We are, however, encouraged by the fact that discussions are continuing between CSX and the passenger railroads which use its tracks about appropriate

(continued on page 4)



—Ross B. Capon

OKLAHOMA TRAIN FUNDED TWO MORE YEARS

The Oklahoma Department of Transportation and Amtrak announced on June 11 an agreement to operate the *Heartland Flyer* for another two years. Oklahoma will pay Amtrak \$4.6 million to run the Oklahoma City-Fort Worth train for the 12 months ending May 31, 2003, and another \$4.8 million to run it an additional year.

In mid-2004, the \$23 million in federal Taxpayer Relief Act funds that Oklahoma (as a "non-Amtrak" state) received in 1998 and 1999 will be used up. Advocates in and

outside the state legislature are continuing efforts to win approval of a funding source which could be used starting in 2004.

The *Heartland Flyer* route is distinguished by the fact that so many communities have provided new or refurbished stations. The last projects, now underway, are Norman (in photo) and Ardmore, Okla. However, in Oklahoma City, the completed waiting room is locked to passengers, due to a lack of maintenance funds. (Rest rooms are opened at train times.)

Amtrak Operations: SBU's Out, Regions and Divisions In

Amtrak President and CEO David L. Gunn has reorganized the operating department, aiming to increase accountability, efficiency and uniformity. It will look more like a traditional railroad structure, using job titles that have well understood meanings in the industry. A gradual transition to the new structure—which eliminates the last vestiges of the three strategic business units—began July 1, with completion expected by October 1.

These people will report directly to Chief Operating Officer Stan Bagley:

- Vice President of Operations, Ed Walker (the bulk of this article deals with the reorganization of his section);
- Chief Mechanical Officer, Jonathon Klein, who just joined Amtrak after working as a technical consultant—previous employers include SEPTA and Conrail;
- Chief of System Security and Safety and Chief of Police, Ron Frazier;
- Chief Engineer, not yet appointed;
- Assistant Vice President-Environmental Roy Deitchman;
- Chief of Operations Planning, John F. Tucker III, another newcomer to Amtrak. He will be responsible for systemwide scheduling and service planning; he had been Vice President-Operations Planning at MTA's New York City Transit Authority;
- Director of Business Improvements, Ed Courtemanch.

Operations finance and business management functions (people yet to be chosen) also will report to Bagley.

Walker (Operations) will have seven

direct reports, including a business management group and Eastern and Western Region general managers. The general managers will have small staffs; most work will be at the divisional level.

The Eastern Region will be headed by Lynn Bowersox (who now heads the Northeast Corridor). This region will have four divisions (see map), listed here with headquarters cities and appointed general superintendents:

- New England, Boston, Michael J. DeCataldo, Jr.;
 - Metropolitan, New York, Walter R. Ernst;
 - Mid-Atlantic, Washington, Daryl K. Pesce;
 - Southern, Jacksonville, Joseph D. Wall.
- The Western Region will be run by William B. Duggan (who now heads Amtrak West) and will have these divisions:
- Central, Chicago, Donald L. Saunders;
 - Southwest, Los Angeles, Richard H. Phelps, Jr.;
 - Pacific, Oakland, [not yet appointed].

Each division will have a similar structure, with units headed by superintendents:

- Operations—responsible for all train movements, operating rules compliance;
- Terminal Service—Train makeup and servicing; mechanical work; yard operations;
- On-board Service—Food service;

sleeping car and coach attendants;

- Stations;
- Support Functions—budget and administrative staff.

Several routes cross regional boundaries; many more cross divisional boundaries. However, each route will be the responsibility of one region and the primary responsibility of the division where the route's crews are based.

Mail and Express will be a third "region," headed by Lee Sargrad who is now responsible for the same function.

Kevin Scott, who will be Chief of Service Delivery, has a small staff based in Wilmington. He set policies regarding on-board and baggage services, and he will set station policies, now fragmented among several departments.

Steve Strachan continues as Chief Transportation Officer, responsible for operating rules, the locomotive engineer training program, and liaison with safety agencies such as the National Transportation Safety Board and the Federal Railroad Administration's Office of Safety.

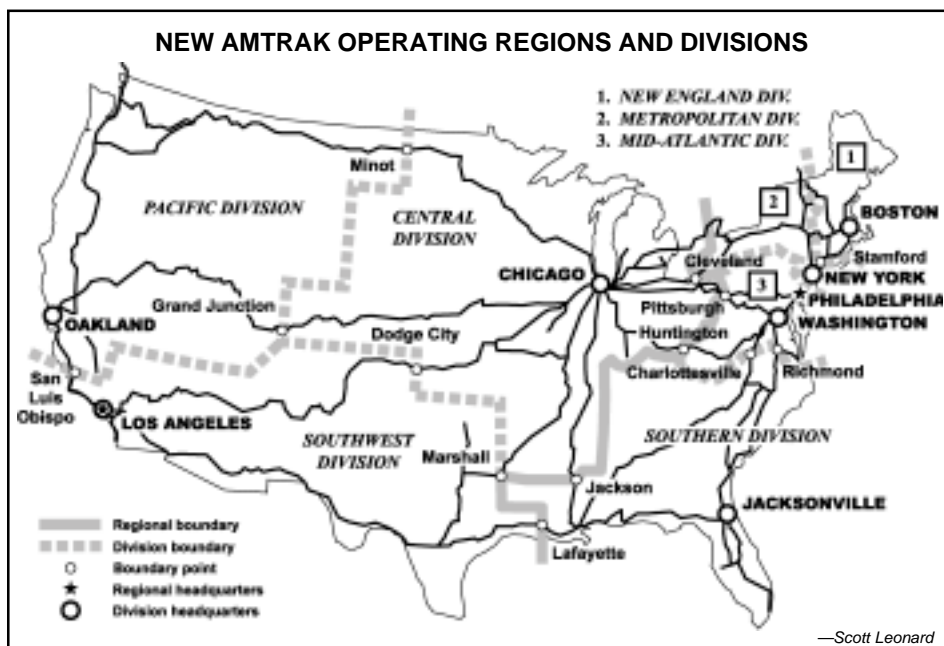
The Central National Operations Center (CNOC) in Wilmington, Del., will be headed by Jon Tainow, Chief of System Operations, and will handle crew dispatching for train, engine and on-board services personnel, and make equipment deployment decisions.

Overall, conversion of the strategic business units (SBU's) to divisions and regions means a net staffing reduction of about 35. That includes eliminating 70 SBU management positions and restoring 8-10 managers in charge of stations; eight road foremen (that is, supervisors of locomotive engineers); eight operating rules instructors; and two on-board revenue collection audit positions.

There also will be five new tactical operations officers at CNOC who are to support field personnel dealing with unusual situations. Calling buses needed to deal with service interruptions is often done best by people on the scene, but CNOC can deal with national carriers (e.g., Greyhound and the airlines).

The operating rules instructors are expected to *reduce* costs because Amtrak previously relied so much on part-time, temporary personnel.

If it works, the new system should address a complaint of front-line personnel in recent years—conflicting messages received from various supervisors. ■



—Scott Leonard



—Ray Ahearn

On March 16 at the new Martinez station, these Volunteer Station Hosts formally voted to become the Station Host Association of California.

Front and center is Doras Briggs (developer of program, now Scheduler), and from far left are Ricky Soldavini (Asst. Scheduler,

Emeryville), Mark Dietz (Secretary), Ray Muther, John Hard (Vice President), Willie James, Ray Ahearn (President), Bob Zanuzzi, Vern Spaulding (Asst. Scheduler, Martinez), Tony Barnecut (Asst. Scheduler, Oakland), Greig Pirie (Treasurer), Joseph Lemos, Pat Conery.

California Station Host Program Helping Passengers, Staff

It was in 1997 at a meeting of the Amtrak Customer Advisory Committee in North Carolina that NARP Director Doras Briggs first became aware of that state's successful Train Host Program. That program's emphasis on the value of enthusiastic and helpful volunteerism led Briggs to the idea of a Station Host program. It would be dedicated to helping hard working Amtrak staff, and easing the countless concerns of passengers waiting in stations.

With generous permission from Bob Grabarek of North Carolina DOT and Roland Giduz of the Train Host program to use their Train Host Manual as a starting point, Briggs developed a detailed manual for Station Hosts. Review and final approval from Amtrak legal staff was followed by concurrence of the Transportation Communications Union (TCU). The TCU officers conditioned their acceptance on having the program operate in staffed stations only.

Then came the all-important approval of Amtrak West's Gil Mallery to launch a pilot program at Emeryville, Cal., in March,

2001. (It took an amazing 3½ years for the Station Host idea to travel from North Carolina to California.) Following a one-year trial, expansions to Oakland and Martinez were approved.

Volunteerism unexpectedly took off in Martinez and it was there on March 16 this year that a dedicated group of Hosts met and voted to become a formal entity—the Station Host Association of California—with Raymond Ahearn of Oakland as President, John Hard of Benicia as Vice President, Mark Dietz of Fremont as Secretary, Greig Pirie of Walnut Creek as Treasurer, and Briggs as Scheduler.

"Now," says Briggs, "we're moving into San Francisco with Sacramento to follow in July. It's been a long road from 1997 to now with a dizzying array of unforeseen and sometimes discouraging problems, but our spirits have been buoyed by generous comments from staff and words of appreciation from passengers. Down the line we hope the Station Host idea will be welcomed in Amtrak's staffed stations all over the West and perhaps beyond. We're willing to help wherever we can." ■

JUNE THREAT RAISED AMTRAK'S COSTS

The threat to Amtrak service hurt sales in June, and the effect doubtless will last into subsequent months, since the funding crisis hit just when many were planning their summer vacations.

To appreciate the magnitude of negative advertising Amtrak experienced, consider this banner, front-page headline in the June 24 *Chicago Sun-Times*: "END OF THE LINE FOR AMTRAK? Struggling railroad may shut down this week; Hastert backs cost cuts."

May passenger revenues rose 13.1% from a year ago, but June was up only 5.6% (passenger-miles fell 5.6%). This was below Amtrak's plan, but still beat the airlines, whose June domestic passenger-miles were down 7.0%, while average revenue per passenger-mile (excluding Southwest) fell 9.8% (and 13.7% from 2000).

The threat also raised Amtrak's costs, by delaying planned staff reductions at the telephone reservation bureaus. Like many companies, Amtrak has shifted sales to the internet and to an improved telephone voice recognition system. The crisis, however, triggered a spike in calls from people who wanted to talk with (or yell at) real people about the uncertainty of whether service would continue.

MISSOURI FUNDING A BIT SHORT

In Missouri, a House-Senate appropriations conference committee approved \$6.0 million for St. Louis-Kansas City service (of the \$6.2 million requested by Amtrak), in early May. But by mid-May, budget negotiators cut that to \$5.0 million, a level Amtrak said was insufficient to run both trains for a full year.

Therefore, only the *Ann Rutledge* is assured of running through the state's fiscal year (June 30, 2003). The *Mule* could cease at the end of February. Both trains lose a coach.

Those cuts could be reversed if a state supplemental appropriation comes along (for \$1.2 million), or if an August 6 ballot initiative for transportation funding passes.

TRAVELERS' ADVISORY

Northeast Corridor changes—Amtrak schedules changed August 3 to accommodate a year-long renovation project in the Hudson Tunnels (between New York and New Jersey). The work is taking place on weekends, in one tunnel at a time, with "one-way" traffic in the remaining tunnel changing direction twice an hour.

Most changes affect Acela Regional trains, particularly northbound. They leave Washington at 20 or 25 minutes past the hour (most were leaving at 5 past).

A new, Washington-New York train 158 leaves at 6:20 pm, with train 80 (*Carolinian*) becoming a discharge-only train north of Alexandria on weekends.

Pacific Surfliners—These Southern California Amtrak trains will be all-reserved for the Thanksgiving holiday period, November 26-December 2.

Buying Tickets for Others—NARP has urged Amtrak to modify its policy under which, if you go to a ticket window, the agent is not allowed to sell tickets for family members and friends/associates who are not present. We expect a satisfactory resolution of this soon. (In any event, there are no such restrictions on tickets purchased from Quik-Trak machines, or purchased on the internet or telephone and obtained from Quik-Trak.)

Slow Orders (from page 1)

modifications to the current speed limits. We are hopeful that a less sweeping, better-targeted remedy will emerge from these discussions. The routine addition of hours to Amtrak schedules—and even of shorter times to commuter train schedules—is unacceptable.

"We trust that all involved, and especially CSX and the National Transportation Safety Board, are closely studying the relationship between...hot weather and the process of removing trackwork-related slow orders...One day after trackwork was performed at this location, Amtrak's *Capitol Limited* was authorized for 60 mph and would have been...for 70 mph [if it had not had] a particular type of express car." ■

GEORGE ARMEIT RECOGNIZED

George Armeit of Flushing, N.Y., has been a member of NARP for more than 20 years. He served on our Board from 1987 to early this year. Until illness recently slowed him down, he had been active even longer in the Empire State Passengers Association. The loss of his wife, Marilyn, last September was a painful blow for George, and was followed by a long hospital stay.

The NARP Executive Committee publicly salutes George for his many years of enthusiastic work for a better passenger rail system and expresses sympathy at the loss of Marilyn. We hope that George soon will be able to continue helping in the never-ceasing passenger rail efforts to which both George and Marilyn have contributed mightily.

AMTRAK EXECUTIVES

Joseph McHugh is now Vice President-Government Affairs and Policy. Alicia Serfaty is General Counsel and Corporate Secretary. In announcing these appointments, Amtrak CEO David L. Gunn noted that McHugh and Serfaty "have been in an acting capacity for many months...Both have more than proven their merit. I am proud to eliminate acting from their titles."

McHugh is an eight-year Amtrak veteran. He worked for Rep. Don Ritter (R.-Pa.), 1980-84. He then went to the Education Department's Office of Legislation. In 1989, he joined William Bennett at the new Office of National Drug Policy and later became Director of Congressional Relations there.

Serfaty joined Amtrak in 1997. She was previously in private practice with the Washington office of Hopkins & Sutter, now Foley & Lardner. She was part of a broad litigation and regulatory practice representing, among others, a number of Class 1 freight railroads and commuter authorities before the ICC/STB and in federal court.

Gil Mallery, who was senior vice president in charge of Amtrak West, is now Acting Vice President-Planning and Business Development.

Acting Chief Financial Officer is former Amtrak West CFO Deno Bokas. Amtrak's former CFO, Arlene Friner, left July 19.



News from the
**National Association of
Railroad Passengers**

Vol. 36, No. 7

July 2002

RETURN REQUESTED

Alan M. Yorker, President; George Chilson, James R. Churchill, Wayne Davis, David Randall, Vice Presidents; Robert W. Glover, Secretary; Joseph F. Horning, Jr., Treasurer; Ross B. Capon, Executive Director; Scott Leonard, Assistant Director; Jane L. Colgrove, Membership Director.

News from the National Association of Railroad Passengers (ISSN 0739-3490) is published monthly except November by NARP; 900 Second St., NE, Suite 308; Washington, DC 20002-3557; 202/408-8362, fax 202/408-8287, e-mail narp@narprail.org, web www.narprail.org. ©2001 National Association of Railroad Passengers. All rights reserved. Membership dues are \$28/year (\$15 under 21 or over 65) of which \$5 is for a subscription to NARP News. For the latest passenger rail news, visit our on-line Hotline, changed at least weekly.

Postmaster: Send address changes to National Association of Railroad Passengers; 900 Second St., NE, Suite 308; Washington, DC 20002-3557.

(This has news through Aug. 6. Vol. 36, No. 6 was mailed July 12.)

Second Class Postage Paid
At Washington, D.C.