

# **Budget Noose Tightens...Again**

As Congress considers the federal budget for fiscal year 1995—which begins Oct. 1, 1994—these unsettling factors must be balanced against President Clinton's welcome proposed increase in Amtrak funding:

· Amtrak needs more than Clinton proposed;

• To reverse Clinton's proposed \$200 million cut in federal transit operating subsidy appropriations without increasing outlays (cash likely to be spent within FY '95), Congress would need to cut other programs much more than \$200 mill. (Feb. *News*). [Under questioning from Sen. Tom Harkin (D-IA) Feb. 24, Sec. of Transp. Federico Peña said Clinton's federal transit operating subsidy cut excludes communities with populations under 50,000: "they get an increase."];

• Clinton proposed to end the \$17 mill. Local Rail Freight Assistance program, which has some strong Congressional proponents, including Harkin, who is on the appropriations subcommittee on transportation.;

 A controversy over highway demonstration projects may lead to an even bigger highway spending increase than Clinton proposes; and

• Total transportation spending could be less than Clinton requests, forcing cuts below Clinton-proposed levels for specific transportation programs even if Congress does not increase any other transportation programs above Clinton's levels! Transportation fared well in his budget. As Peña said at his Feb. 7 budget briefing, "this is the first time the budget has been capped at zero growth," yet transportation appropriations are up 2% to \$39.7 billion. However, the Senate and House Appropriations Committees do the crucial allocating of funds among their subcommittees and may not look as kindly on transportation as did Clinton.

## THE LOST PROMISE OF THE AMERICAN RAILROAD...

...is a sympathetic history of the U.S. intercity passenger train since the 1930's appearing as a 25-page article by Mark Reutter in the winter issue of *The Wilson Quarterly* (at news stands through mid-April; libraries; or send \$7 for the issue to *The Wilson Quarterly*, 901 D St., SW, Ste. 704; Washington, DC 20024), published by the Woodrow Wilson International Center for Scholars in Washington. The *Quarterly* has a nationwide circulation of 75,000, including many academic and policy people.

NARP member Paul Ceruzzi of Maryland calls it "one of the most sensible and well researched articles I've ever seen on this subject." Reutter plans to expand on his work in a book now in progress. He welcomes information from knowledgeable readers (to 806 W. Pennsylvania Ave.; Urbana, IL 61801). AMTRAK'S ELDERLY CARS



-NARP Photo by Scott Leonard

Much of Amtrak's money problems are symbolized by these 44year-old Heritage sleepers: less attractive; lower capacity; more time out of service; more costly maintenance. Amtrak began 1994 with 429 Heritage cars 30-47 years old (including 114 sleepers 35-45 years old), less than half of which could be retired by alreadyordered new cars. Many Heritage parts are not interchangeable, so shops keep bigger parts inventories and cars stay out of service while, for example, the same trucks (wheel sets) are repaired. [For newer cars, shops can ready different trucks in advance and make a quick switch.] Amtrak Asst. VP and Chief Mechanical Officer Robert Burk estimates Heritage cars spend 2-1/2 to 3 times longer in the shops than newer cars for the same work. Some of this time is for individual fabrication of obsolete parts. Also, there is no cost-effective way to retrofit the old sleepers to retention toilets, yet Congress expects Amtrak to have an all-retention fleet by Nov. 15, 1996.

### DOWNS ON SERVING THE PASSENGER

Amtrak Chairman and Pres. Thomas M. Downs led the "First Annual Amtrak Leadership Conference" Feb. 10-11 at a Leesburg, VA, conference center. The 135 attendees included executive staff, their direct reports and many field personnel. *All* employees will have a chance to see a 20minute videotape with highlights of Downs' conference remarks.

From the passenger's standpoint, here is his most telling comment: "I've also found a number of [employees] who love railroading but think passengers get in the way....I have a feeling that part of [this] is related to the fact that we have systems that don't work, we have management structures that don't work and we sure as hell have equipment that doesn't work, and that gets itself quickly to a sense of frustration with operating personnel who say, 'I'm sick and tired of explaining this. Every morning I get up and have to tell people why this train is four hours late, why the lines froze up, why their baggage isn't here. I'm tired of this.' And then—when people keep asking questions like 'Where am I?'—they get angry."

# Collins, De Leon Join Amtrak Board

## Dan Collins

Confirmed by the Senate Oct. 29 to serve as the director President Clinton "selected from a list of three qualified individuals recommended by the Railway Labor Executives Association," Collins comes from a railroad family and began his career as a switchman for the New York Central at Buffalo in 1942. He was Assistant General Secretary and Treasurer of the United Transportation Union, 1969-92. He served in the Navy Air Corps in World War II and the Korean War, and has a B.S. degree in economics (1954) from Canisius College (Buffalo).

Collins lives in North Olmsted, OH and has been active in the Ohio High-Speed Rail Commission, the Northeast Corridor Safety Committee, and substance abuse and grade crossing safety programs.

Collins, whose term expires in Oct. 1997, replaces longtime board member Charles Luna, who passed away in 1992 (Feb. '93 *News*). Collins hopes a way can be found to Improve the condition of Amtrak's worst stations—such as Elyria, OH—and to get accurate information about train delays to passengers waiting at unstaffed stations—such as Elyria.

#### Sylvia de Leon

De Leon was appointed Jan. 21 to one of the preferred shareholders (DOT-appointed) slots on the board, which has a one-year term. She replaces Haley Barbour, chair of the Republican National Committee, who served since 1989 and whose term expired earlier in January.

A partner since 1977 in the Washington law firm of Akin, Gump, Strauss, Hauer & Feld, de Leon provides counsel to both corporate and governmental clients on various transportation and urban policy matters. She represents the interests of Houston, TX in Washington, and is a former committee chair of the State Bar of Texas. Her rail experience includes formulating rail plans for a major urban center and providing counsel on rail privatization, high-speed rail and maglev proposals.

She worked on Amtrak matters for the transportation cluster group on the Clinton transition team in late 1992. Last year, she served on the President's National Commission to Ensure a Strong Competitive Airline Industry.

De Leon told NARP that these are challenging but not insurmountable times for the passenger railroad industry. "The Clinton Administration has signalled a serious interest in strengthening Amtrak, as evidenced by its FY 1995 budget request. The immediate goals of Amtrak's new leadership must include overall strategic and capital planning, cost containment and a commitment to improve the quality of its product. I look forward to working with the Board and Amtrak's executives on these and other matters."

### AMTRAK'S REVENUE WOES

Adverse safety-related publicity (Jan. *News*) seems to be the main reason Amtrak's Dec. revenues were 11% below budget, 7% below last year. Jan. revenues were hurt by weather-related service cancellations although public response to the 55% fare discount on longer trips has been good. Nevertheless, Amtrak's board requested management to provide "ways to address the [operating] deficit at the next meeting [Mar. 22-23]."

### **TRAVELERS' ADVISORY**

Sale of Amtrak's 55% discount fares (Feb. News) will continue through Apr. 29, good for travel through June 16. This fare, like the special coach All Aboard Fare, is non-refundable. As of Feb. 15, other Amtrak excursion fares became non-refundable *once travel begins*. (Any unused Amtrak *rail* ticket can be exchanged within a year for a ticket of higher value with full credit given for what one has already paid. Space charges are refundable except for late-cancellation penalties.)

Amtrak's May 1 timetable will have:

• The most Seattle-Portland service in at least 35 years (3 round-trips plus *Pioneer*, see p. 3);

• New York-Niagara Falls weekend overnight service with sleeping car (dpt. New York 10:30p Fr/Sa, return trips arr. New York 7:55a Su/M; depending on negotiations with VIA, Toronto will have through service or cross-platform transfer at Niagara Falls, Ont.):

• Extra New York-Saratoga Springs weekend service July 1-Sept. 5;

• Eastbound Ann Rutledge 30 min. earlier (as requested by the State of Missouri);

• Eastbound Southwest Chief an hour earlier, permitting restoration of dinner service leaving Los Angeles and of the connection in Chicago to the Capitol Ltd., and the addition of 30 min. to Chief-to-Rutledge connecting time in Kansas City. Sadly, also ends direct (unreliable) connection in Los Angeles from Coast Starlight—passengers may connect via Oxnard-San Bernardino Thruway bus or San Joaquin and its Bakersfield-Los Angeles Thruway bus;

• A revised Empire Service pattern compatible with later creation of a New York-Albany-Cleveland daytime round-trip, should studies prove favorable;

Later Cape Codder season, July 1-Sept. 11.

Correction: China and linen is not expected on *City* of *New Orleans* diner until early June.

The San Joaquin Valley gained checked baggage service Oct. 31, 1993. The 7a from Oakland and 2:50p from Bakersfield handle baggage at those stations plus Emeryville, Martinez, Hanford and (via Thruway bus) Los Angeles. By summer, Stockton, Riverbank and Fresno also should have baggage service.

## **KEY HOUSE POST TO CHANGE IN 1995**

Bob Carr (D-MI), chairman of the House Appropriations Subcomm. on Transp., on Feb. 16 announced his candidacy for the U.S. Senate. First in line to succeed him as chairman in 1995 is Richard Durbin (D-IL), a strong supporter of Amtrak and high speed rail (and of a smoke-free environment) and this year's recipient of the President's Award of the Illinois Association of Railroad Passengers. Durbin, however, would have to give up his Agriculture Subcomm. chairmanship and may not decide until after Nov. Next in line is House Budget Chairman Martin Olav Sabo (D-MN). He must rotate off Budget at the end of 1996. Therefore, if Durbin says no, David Price (D-NC), the third person in line, could succeed Carr for 1995-96 with Sabo taking over in 1997.

# Wheels Of Progress

Here is our annual list of major rail passenger improvements planned to enter service and the dates of planned openings (if available). Dates and projects subject to change. *NARP News* regularly reports actual start-up dates. All Amtrak service expansion reported below involves operating support from the states involved.

## 1994

• Mar. 3—Amtrak converts *City of New Orleans* to Superliners/Hi-Level equipment (one food car: Hi-Level diner-lounge).

• Mar. 28—Orange County's Los Angeles-San Juan Capistrano weekday round-trip—now operated under contract by Amtrak—becomes part of Metrolink system and expands to three daily round-trips. (Extension to Oceanside soon...when layover facilities become available there.)

• Apr. 3—A Talgo train set will run Seattle-Portland as a market test (expected to run south about noon, north about 6 pm), through Sept. After that, this round-trip would be continued with conventional Amtrak equipment.

• May—Amtrak's Detroit station relocates to New Center (temporary facility); Chicago-Detroit *Wolverine* and *Twilight Ltd.* extended to Royal Oak, Birmingham, Pontiac.

• May 25—Miami MetroMover extensions to Brickell Ave. (south), Omni (north).

• "Mid"—Raleigh-Charlotte Amtrak round trip (morning west, evening back). Will use old cars bought and renovated by the State of North Carolina. Start-up long delayed by problems relating to providing a turning track in Charlotte and a servicing facility in Raleigh.

• "Mid"—Electrification work begins on Amtrak's Boston line, pending approval of Environmental Impact Statement.

• "Mid"—Cape May Seashore Lines tourist shuttle service for traffic mitigation, Cape May-Rio Grande, NJ (7 mi.).

• Aug.—Intercity California Cars begin to be delivered to Caltrans by Morrison-Knudsen (commuter version starts arriving May 1995).

 Sept.—New intermodal facility completed at Spokane, WA, centered on existing Amtrak station and including intercity bus.

• "Fall"—Extension of Massachusetts Bay Transportation Authority commuter service Framingham-Worcester (23 mi.). Intermediate stops later, pending environmental studies.

• Oct. 1—Vancouver (BC)-Seattle Amtrak daily round trip, morning south and evening up (but not necessarily connecting with *Coast Starlight*).

• Oct. 7—Denver Regional Transp. Dist. light rail line Broadway/I-25-Auraria-downtown-Five Points (5.3 mi.).

• Oct.—North San Diego County Transit Development Board starts San Diego-Oceanside commuter service (42 mi.).

• "Fall"—Boston-Portland Amtrak service, three times a day.

• "Fall"—New Jersey Transit Boonton commuter line extension Netcong-Hackettstown (8.6 mi.).

• Nov.—New Amtrak station at Oakland Jack London Square, pending Southern Pacific track work. It (and Emeryville opened Aug. 14, 1993) will replace the closed SP 16th St. Station in West Oakland (damaged in 1989 and scheduled to be dropped by Amtrak July 1994).

• "Late"—St. Louis MetroLink light rail extension N. Hanley-Lambert Airport (1.5 mi.).

Dec.—San Francisco Muni 8/Market trolley-bus converted

# NEW SUPERLINERS EXPAND CAPACITY, ALLOW RETIREMENTS

Due partly to the need to retrofit 26 new sleepers and transition sleepers with new upper-bunk latches, Amtrak says the following target dates may slip:

• 1994: May 1—Zephyr gains 2nd Chicago-San Francisco sleeper quad-weekly (non-Pioneer days). June—Desert Wind regains diner lost Sept. 21, 1992; Wind lounge returns to Zephyr and gorgeous Donner Pass. Oct.—Capitol Ltd. sleeper and diner conversion (if clearance work done at Washington); run second San Francisco sleeper daily and—to accommodate the resulting need for more diner capacity on the combined Zephyr/Wind/Pioneer—extend triweekly Pioneer diner Denver-Chicago.

These third sleepers also begin service in 1994: July—*Empire Builder* (Seattle car; June 1-Sept. 10); Sept. 1—*Southwest Chief* (Apr.-Oct.; mid-Dec.-early Jan.). Sept. 15—*Coast Starlight* (all-year). (Demand will determine where seasonal cars run off-season.)

• 1995: The last old Hi-Level food cars retire as full lounge and full diner replace the *City of New Orleans'* diner-lounge (Feb.) and Superliner lounges come to the *Eagle's* Houston section (Mar.) and the *Sunset Ltd.* (May). The Auto Train first-class section is converted with all-new equipment in July. *Capitol Ltd.* lounge conversion is expected in August.

to F/Market streetcar, Embarcadero-Castro.

1995

• Jan.—Metrolink commuter rail Irvine-Riverside (San Bernardino in Oct.), pending track work.

• Apr.—Sections of Amtrak *San Joaquins* operating Stockton-Sacramento.

• May—Los Angeles Green Line light rail, El Segundo-Norwalk (16.5 mi.).

• "Summer"—Baltimore MTA Metro extension Charles Center-Shot Tower-Johns Hopkins (1.5 mi.).

Sept.—BART Daly City-Colma extension (1 mi.).

• "Fall"—Second Seattle-Vancouver Amtrak round-trip, one additional Seattle-Portland round trip.

• Oct.—Metrolink commuter rail Riverside-Fullerton-Los Angeles.

• "Late"—BART Bay Fair (Fremont line)-Pleasanton extension (12 mi.).

• "Late"—Metro North Harlem line commuter service extended 4.4 mi Dover Plains-Wassaic, NY.

• "Late"—San Diego East Line light rail extension El Cajon-Santee (3.6 mi.).

• "Late"—San Francisco Muni N/Judah streetcar extension Embarcadero-CalTrain Sta.-Mission Bay.

• "Sometime"—One of Amtrak's *San Diegans* extended Santa Barbara-San Luis Obispo.

• "Sometime"—Extension of Amtrak *San Joaquins* 710 & 711 overnight Bakersfield-Lancaster-Palmdale-Santa Clarita-Glendale-Los Angeles (exact stops undetermined).

"Sometime"—Dallas-Irving, TX commuter rail, 10 mi.

• "Sometime"—Two-branch commuter rail from Oakland, CA to Brentwood and Suisun-Fairfield.

# Downs Choice for Finance VP; Passenger Services Reorganizes

On Feb. 24, the Amtrak Board announced the selection of Elizabeth C. Reveal as Vice Pres. of Finance and Administration and Chief Financial Officer, effective Mar. 28. She will succeed Norris W. Overton, who will become VP— Reengineering. Also, during Feb., Passenger Services VP Art McMahon (May '93 *News*) reorganized his department and Asst. VP-Government & Public Affairs Thomas J. (Tim) Gillespie Jr. hired Scott Hercik to work with the states.

### **Finance and Administration**

Reveal has been Director of Finance for the City of Seattle since Oct. 1992. NARP sources in Seattle say she is doing a great job there and is extraordinarily competent.

She holds masters' degrees from Harvard and Cornell and a Bachelor's from Cornell; previous employers include the City of Philadelphia, Harvard, the District of Columbia, the New York State Financial Control Board and the Minnesota Governor's Crime Commission. In recommending Reveal to the Board, Downs said "Betsy will bring to Amtrak 20 years of experience as a highly effective public administrator responsible for financial planning and management in some of the largest and most complex financial systems in the U.S. Her experience building consensus within organizations and in the public policy area will serve Amtrak well."

### Reengineering

In their 1993 book, *Reengineering the Corporation: A Manifesto for Business Revolution,* Michael Hammer and James Champy define "business reengineering" as "the techniques corporations can use to…reunify tasks into coherent business *processes....*[A process is] a set of activities that, taken together, produce a result of value to a customer." This is the radical act of throwing out what doesn't work and starting over.

In announcing the appointment of Overton, who joined Amtrak in 1981, to a newly-created position, Downs said, "This is a pivotal position in our efforts to reengineer the corporation. Norris has shown that he is an advocate for positive change and excels in the deployment of quality management concepts."

## **Passenger Services Reorganization**

A Jan. 28 "employee advisory" says the reorganization "is designed to improve customer focus, increase responsibility and authority of field personnel, and strengthen division management teams....will bring the department's management team closer to our customers and increase support to frontline operations. The overall structure has been streamlined by reducing layers of management from six to four, combining functions to enrich positions and reducing 11 positions from management headcount....On-board and commissary functions have been brought together to focus on customer satisfaction and positions have been retitled to more clearly reflect responsibilities and act as a constant reminder that the customer comes first."

These people report directly to McMahon:

• Charles (Chuck) Bothwell, assistant VP-passenger services;

· Leon McLaurin, staff dir.-customer service operations;

• Five general managers of customer service based as follows: Los Angeles—Robert (Bob) Van Wagner; Chicago— Maria Green (formerly Associate General Counsel in the Law Dept.); Washington—Kevin Scott; New York—Bill Morrison; Boston—Gary Tomey (formerly Senior Director-Human Resource Development in the Personnel Dept.).

### **Government Affairs**

Scott Hercik (June '92 *News*, p. 4) primarily is doing proactive work encouraging state and local officials to spend their flexible highway money in ways that benefit Amtrak and its customers. Thanks to ISTEA's limits, this means mostly stations for now. Hercik headed Michigan's respected Rail and Marine Programs from 1974-94. In 1973-74, he was an Amtrak on-board passenger service representative.

With Downs and Hercik, two personable former state officials on Amtrak's team, state-Amtrak relations should become better than ever.

(For Amtrak's 2-page news release on Reveal's appointment and/or the 2-page Passenger Services Employee Advisory, send NARP \$1 per document and an s.a.s.e.)

# News from the National Association of Railroad Passengers

Vol. 28, No. 3 8 🕬 March 1994

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(This has news through Mar. 4. Vol 28, No. 2 was mailed first-class Feb. 25.)

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