



## Amtrak's 2005 Request—Continued Rebuilding

Amtrak President David L. Gunn unveiled a \$1.798 billion request (see table below) for fiscal 2005, on February 10. Fiscal 2005 begins October 1, 2004. NARP strongly supports this request as laying the foundation for the modern passenger train network America needs.

Amtrak President David L. Gunn said Amtrak has been getting more done with fewer people. Amtrak had 19,976 employees in December, 2003, compared to 23,393 in May, 2002. About 1,500 (half) of the decline resulted from the July 1, 2003, end of Amtrak's MBTA commuter-rail contract; the rest with tightening up the operation. Going forward, he expects the total to fluctuate around 20,000.

In his briefings, Gunn emphasized that Amtrak could not run without a capital budget, as the administration's \$900 million request (see p. 3) would require. (Operations plus debt service is \$832 million; required environmental capital work adds another \$22 million.)

Gunn is moving resources from emergency repairs to programmed maintenance, increasing efficiency, but making capital vital. Gunn said a capital budget of zero would mean letting go about 2,000 employees, crippling the railroad.

### Encouraging 2004 Outlook

On January 23, President Bush signed Public Law 108-199, the fiscal 2004 funding bill. It gave Amtrak \$1.218 billion, up from \$1.043 billion in 2003, but down from

\$1.812 billion in Amtrak's request.

Amtrak, in the first four months of fiscal 2004 (October-January), is running \$45 million ahead of budget. Ridership and revenues are 8.2% and 6.5%, respectively, ahead of the year-earlier months.

Of equal interest, much of the capital work budgeted for 2004 will happen even with the lower federal grant. Production in some work categories will be greater than the original \$1.812 billion grant request contemplated. This is because:

- Amtrak ended fiscal 2003 with a cash balance of about \$150 million;
- The appropriations law deferred re-payment of the \$100 million federal loan;
- Much 2003 capital work came in under budget, letting Amtrak project higher productivity in 2004 with confidence;
- Gunn inherited a considerable inventory of unused materials.

The flip side, of course, is that the 2005 budget request is tighter, and a shortfall would be more painful. n

## Midwest Ridership Increasing

Ridership on Amtrak's Midwest corridor services was up 15.9%, May-December 2003, over the previous year. That's welcome news to Midwesterners, who have heard so much about ridership success stories along the two coasts.

[Ridership also remains strong elsewhere. See p. 3 box for Northeast Corridor growth over several years. In the first four months of fiscal 2004 (October-January), NEC ridership rose 6.4%; ridership on long-distance trains was up 19.7%.]

Some Midwest ridership improvement reflects lower fares, better on-time performance, and the improved media image Amtrak has under President David L. Gunn, especially after resolution of the dramatic June, 2002, funding crisis.

Also, marketing efforts were stronger last year, with the fall marketing campaign starting earlier (September, 2003, compared to November, 2002).

For the May-December period, six of the eight Midwest routes were up from 14.0% to 24.1%, with the Detroit line at the top. As for the other two:

- The quad-weekly Indianapolis train rose 4.0% though year earlier numbers include ridership on the daily Louisville-Indianapolis leg that ended July 8, 2003.
- St. Louis-Kansas City ridership was flat (-0.7%), not a bad showing in the face of doubt about whether the service would

continue (Feb. '03, Mar. '03 News), bad on-time performance, loss of station staff at Kirkwood and Jefferson City, and a fare surcharge (the latter two items to help close a state funding shortfall). Indeed, for the August-December period, ridership on this line was up 7.2%.

### MIDWESTERN RIDERSHIP GROWTH (May-Dec. 2003 vs. May-Dec. 2002)

Route	Percent Change
Chicago-Milwaukee	+ 14.4%
Chicago-Quincy	+ 14.8%
Chicago-St. Louis	+ 21.6%
St. Louis-Kansas City	- 0.7%
Chicago-Carbondale	+ 14.8%
Chicago-(Louisville) Indianapolis	+ 4.0%
Chicago-Detroit/Pontiac	+ 24.1%
Chicago-Grand Rapids	+ 14.0%
<b>Total (above routes)</b>	<b>+ 15.9%</b>

Hopefully, the foundation has been laid for continued growth. That ultimately requires faster, more frequent service, as well as more convenient intermodal connections (including with air).

Significant state investment in the segment between Springfield and Mazonia (25 miles south of Joliet) makes the ride there smoother (July '99 News). Faster

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### AMTRAK BUDGET FIGURES (\$ millions)

	2004 Revised Budget	2005 Grant Request
Capital	532	791
Operating	581	570
Debt Service	262	262
Working Capital	0	75
Repay DOT Loan	0	100
<b>Total</b>	<b>1,375</b>	<b>1,798</b>

# Amtrak's Chief Engineer Cites Progress, Plans

Amtrak Chief Engineer David Hughes spoke to the NARP Board at its October meeting in New Orleans. Hughes credited David Gunn's leadership in gaining credibility and respect for Amtrak.

Hughes notes that there are two types of infrastructure: physical and leadership. On leadership, Hughes said, "We've made more progress there than anywhere else. It's a fascinating time at Amtrak..."

"Basically we're getting a lot more for our money, but we need to do a lot more to rebuild the basic infrastructure."

In that regard, Hughes detailed some of the Engineering Department's 2003 activities. In the Northeast Corridor, 37 miles of track were rebuilt, raising speeds from 60 to at least 110 mph. Hughes stated that Amtrak trains previously did not use many of these ["third"] tracks—the rebuild adds capacity and flexibility.

Hughes acknowledged that outside of the Northeast Corridor, "the stations haven't received too much attention in recent years." In 2004, a station survey will be conducted to identify station improvement and ADA needs. Also, the

Metropolitan Lounge in Chicago Union Station will be doubled in size and redecorated. The "temporary" (1978) station in St. Louis will be replaced with a modular, metal building until the long-range vision of a St. Louis transportation hub is realized. The metal building will become a mechanical facility at that time.

Hughes said the long sought, second track between Albany and Schenectady currently is unfunded.

**Mechanical:** Hughes also discussed Amtrak's mechanical department, outlining a five-year, \$1.6 billion plan to completely rebuild or refurbish 768 cars and return 48 wreck damaged cars to service. Of this total, 320 cars—mostly Superliner I and Horizon cars—will be "stripped down to the bare metal, effectively creating a new car." The other 448 will get a "heavy or light" overhaul. This is a major step forward for service reliability, and will in the end mean lower overhaul costs and higher equipment utilization. [Gunn on February 10 said Amtrak's new five-year plan will be out in "late spring."]

Amtrak Chief Mechanical Officer

Jonathan Klein found in storage at the Beech Grove, Ind., shops three kits for rebuilding Heritage diners. Thus three more, elderly diners will have this work done this year.

[Amtrak now knows its 2004 capital budget is \$532 million. Planned work includes installing 181,000 concrete and 35,000 wood ties and 101 miles of rail; 202 passenger cars to get either heavy overhaul or remanufacturing; 10 to get wreck repairs; 64 locomotive heavy overhauls.] n

## SENATE PASSES S.1072

**The Senate passed S.1072, highway-transit reauthorization, on February 12. The six-year bill totals \$318 billion; its transit component is \$56.5 billion. It exceeds President Bush's budget request by \$62 billion, and he has threatened to veto it.**

**Senators Ernest Hollings (D.-S.C.) and Thomas Carper (D.-Del.) worked hard to get a solid rail infrastructure provision, but failed. They were able to neutralize an effort to limit existing opportunities to use certain gas-tax-generated funds for rail.**

**The process unified the rail passenger and freight communities, more than ever before on this subject, giving some hope for the future. The heads of four major railroads—BNSF, CSX, CP, NS—wrote February 9 to Capitol Hill in support of a Hollings-Carper scaled-down, \$11 billion provision (which the Senate did not adopt).**

# California Needs High-Speed Rail

The California High Speed Rail Authority and the Federal Railroad Administration released a Draft Program Environmental Impact Report/Environmental Impact Statement (DEIR/EIS) on January 27. It says a "no build" approach would leave the growing state underserved by overwhelmed highway and aviation systems. Those systems would have "increased travel times" and be "significantly less reliable" than they are now.

The DEIR/EIS says improvements to existing modes could meet travel demand in 2020, but not as well as if high-speed rail also were built. It concludes that building the proposed high-speed rail network in California is the superior option.

The selection of routes over the mountains entering the Bay Area from the southeast has been controversial in some quarters. The Altamont Pass, which some believe is the easiest and cheapest option, was rejected earlier in the screening process because it would need to cross San Francisco Bay in an environmentally sensitive area parallel to the abandoned Dumbarton rail bridge, and because it would require trains to split three ways at Fremont (to San Jose,

Oakland, and San Francisco).

A more southerly crossing (such as at Pacheco Pass) brings the line to San Jose and only requires a split into two routes (Oakland and San Francisco), but crosses environmentally sensitive areas as well. It also makes the high-speed network less useful to Bay Area-Sacramento travel than the Altamont routing might have been.

Nonetheless, building any alignment would be far better than building none.

The cost of the network is now projected at \$33-37 billion (in 2003 dollars). A draft business plan released by the Authority in 2000 put the cost at \$25 billion (Apr. '00 News). Much of the increase appears to come from more emphasis on sharing routes with existing rail lines in built-up areas and higher cost estimates for tunneling. The 2000 plan came after the Altamont route was eliminated.

A statewide bond measure is scheduled to go before California voters this November. The measure would provide \$9 billion to allow a Bay Area-Los Angeles high-speed trunk to be built, with other branches to come later. Another \$950

million is meant for other rail projects.

However, in his 2004-05 budget proposals released January 9, Gov. Arnold Schwarzenegger (R.) called for repealing the 2002 law that scheduled the November vote so that the state could better afford other bond measures voters may consider on March 2. Repeal requires a 2/3 vote. High-speed rail supporters hope any new law won't delay the high-speed bond measure beyond 2006. Schwarzenegger's budget would allow environmental studies to continue. n

**On the web:** <<http://www.cahighspeedrail.ca.gov/>>.

## Midwest

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schedules are possible next year (see Feb. '98 *News* regarding signal upgrades). Also, "Acting on a request from the Illinois Department of Transportation, Amtrak is compiling figures to determine the costs of adding trains to the current selection of three that roll through Bloomington-Normal every day" (*Bloomington Pantagraph*, Feb. 6).

Work continues on improving Chicago-Detroit speeds. Speed limits have been raised in Michigan City and Kalamazoo, thanks to track, signal, and grade crossing improvements. As previously reported, the top speed on a 45-mile, Amtrak-owned segment of the Chicago-Detroit line went from 79 to 90 mph in January, 2002 (see Sept. '96 *News* regarding signal upgrades).

A new station near Milwaukee's General Mitchell International Airport could open late this year. In the longer term, a planned O'Hare Western Terminal (Mar. '03 *News*) raises the prospect of directly connecting Metra and even intercity trains with the region's biggest airport. n

For the latest news, visit our weekly Hotline at <[www.narprail.org](http://www.narprail.org)>.

## NORTHEAST CORRIDOR GROWTH (Fiscal Years)

Group	2003	1996	Change		Change 1993-2003
			1996-2003	1993	
(a)	2,937	2,011	+ 46.0%	1,980	+ 48.4%
(b)	8,998	7,808	+ 15.2%	8,391	+ 7.2%
(c)	1,682,067	1,366,879	+ 23.1%	1,444,848	+ 16.4%

(a) Ridership (000) for Metroliner/Acela

(b) Ridership (000) for Regional+Keystone+Clockers+Newport News/Twilight Shoreliner

(c) Passenger-miles (000) for all trains in (a) and (b) combined

The table compares fiscal 2003 figures with those from a decade earlier and from 1996, when Northeast Corridor ridership was cut by aggressive price increases.

The increases compare favorably with what other carriers experienced, particularly considering that unemployment in 2003 was around 6% (but was 3-4% in the earlier years) and that many Amtrak fares are high.

In the first quarter of fiscal 2003 (Oct.-Dec., calendar 2002) Acela Express/Metroliner ridership was down 7% (due to the yaw damper problem and reduced service), while Acela Regional (conventional) ridership was up 3%.

Amtrak anticipates a stronger fiscal 2004. In the first four months (October-January), Acela Express/Metroliner ridership rose 7%, Regionals 11%.

## Bush in '05—Another Inadequate Figure

The Bush Administration's fiscal 2005 budget has a disappointing, insufficient \$900 million for Amtrak, the same amount requested for 2004.

The administration's \$900 million request is:

- A shutdown budget (see lead story);
- \$318 million (26%) below this year's level;

• \$912 million (50%) below the \$1.812 billion that Amtrak requested and NARP supported for 2004.

At a DOT briefing February 2, NARP's Ross Capon asked Transportation Secretary Norman Y. Mineta about Gunn's September 30 statement at the National Press Club that \$900 million "doesn't work" (Oct. *News*). Mineta: "Gunn is right on the numbers," but the administration is trying to send a message about the importance of the administration's plan for reforming Amtrak.

Those reforms, in S.1501 (introduced as a courtesy by Sen. John McCain, R.-Ariz., on July 30; July *News*), would phase out federal operating grants over six years, leading to elimination of the national network. Even if all current short-distance trains survived, only 21 states would have service. And 100% survival of such trains is not assured, given states' financial conditions, the economic impact of ending long-distance runs (lost connecting passenger revenues, higher overhead cost allocations) and the political impact (at least 58 senators with no service).

Thus the administration's stated willingness to support annual funding of \$1.4 billion a year in fiscal years 2006-09 has little meaning unless the administration modifies its concept of "reform."

NARP supports Gunn's definition of reform—"putting in fiscal controls...good accounting practices, proper organizational structure, cleaning up the property," and moving rolling stock and infrastructure towards a state of good repair. n

## FISCAL 2004 TRANSPORTATION FUNDING

Compared with Previous Years  
Appropriations (\$ millions)

	2001 Enacted	2002 Enacted	2003 Enacted	2004 Enacted	2005 Bush request	Change, Bush vs. 2004
<b>Administration</b>						
Federal Highway	31,675	32,928	31,593	33,643	33,643	0.0%
Federal Aviation	12,074	18,512 (1)	15,886 (1)	13,871	13,972	+ 0.7%
Federal Transit	6,254	6,871	7,176	7,266	7,266	0.0%
Federal Railroad	744	1,045	1,261	1,447	1,088	- 25.0%
*Amtrak	520	827	1,043	1,218	900	- 26.1%
*also in Federal Railroad Administration total.						
<b>Intercity Passenger Rail Categories</b>						
Amtrak Operations (2)	(3)	(3)	519	756	n.a.	n.a.
Amtrak Capital	520	522	232	462	n.a.	n.a.
Northeast Corridor	(3)	(3)	293	293	n.a.	n.a.
Extraordinary Funds	0	305 (4)	0	0	0	—
<b>AMTRAK SUBTOTAL</b>	<b>520</b>	<b>827</b>	<b>1,043</b>	<b>1,218</b>	<b>900</b>	<b>- 26.1%</b>
Penn Sta./Farley	20	20	20	0	0	0.0%
High Speed Rail	25	32	30	37	10	- 73.0%
<b>PASS. RAIL TOTAL</b>	<b>565</b>	<b>879</b>	<b>1,093</b>	<b>1,255</b>	<b>910</b>	<b>- 27.5%</b>

### NOTES:

1) Includes \$5 billion in emergency reimbursement in 2002; \$2.396 billion in war supplemental funding in 2003.

2) Includes certain Railroad Unemployment and Retirement payments, mandated by law, which exceed Amtrak's costs to those systems, about \$160 million.

3) Lumped into "Amtrak Capital."

4) In 2002, \$100 million from defense appropriations for Amtrak security items and \$205 million from emergency supplemental for Amtrak operations.

# Wider Sleeping Car Cancellations

Restoration of the sleeping car to the Boston-Washington *Federal* has been postponed at least twice. Now, Amtrak has cancelled some other services, including more sleeping cars:

- **Cardinal:** Sleeper eliminated until

## TRAVELERS' ADVISORY

**Sleeping Car Complimentary Amenities**—Each room gets two bottled waters; more by request. From 6:00-9:30 am, coffee, tea, and orange and apple juice are offered. Coming soon are “tent cards” the attendant will sign, telling passengers what to expect—just-named items plus “evening turndown service,” *USA Today* on weekdays, local paper on weekends. Sodas and cranberry juice ended January 1; estimated savings \$500,000 a year.

**Stations**—Amtrak will remove staffing from *Sunset Limited* stations at Tallahassee, Fla. (after April 22) and Mobile, Ala. (after April 23).

**Quiet cars**—Amtrak has begun designating quiet cars on all weekend Acela Express trains. Most weekend Regional trains still lack this popular amenity.

**Transit**—Maryland MTA has closed the Baltimore light-rail line south of Camden Yards to accommodate a major double-tracking project. The closed segments will reopen in stages later in the year.

April 26 (westbound) and April 28 (eastbound). Just a snack bar now; upgrade at least to limited *Three River*-type meals expected by late April. Checked baggage eliminated through October 25.

- **Lake Shore Limited:** The Boston section lost its sleeping car January 31 (New York section has two sleepers and, for now, lounge with smoking compartment). Chicago-Boston coaches end February 17/18. Full service returns early May at the earliest, possibly much later. The interim Boston-Albany “stub” train will have two 84-seat Amfleet coaches, Amcafe and baggage car; cross-platform Albany transfer to/from points west.

- **Crescent:** One of the two New Orleans sleepers is eliminated through late April. No smoking on board this train.

- **Federal:** The Boston-Washington

sleeping car is eliminated through October 25. Baggage service was restored January 19 by removing the baggage car from the New York-Montreal *Adirondack*.

The shortage of single-level Viewliner sleeping cars comes while Amtrak addresses three major problems with past maintenance practices:

- Damaged pipes due to disabling of a relief valve designed to prevent such damage. The valve dumps water when the car lacks electrical power and the temperature falls below a certain level;

- Terrible odor from sludge collecting in the retention tank due to lack of a clean-water rinsing cycle that is supposed to happen when tank is emptied;

- Various ad hoc, improper adjustments to the cars' suspension system, which must be fixed. n

## International to be replaced

The April 26 timetable will include replacement of the Chicago-Toronto *International* with a Chicago-Port Huron service, at the request of the State of Michigan, which helps fund the train. VIA Rail Canada's Sarnia-Toronto services will continue, but there will be no connection between Amtrak at Port Huron and VIA at Sarnia.

A single train set will cover the service—to be called the *Blue Water*—running into Chicago in the morning, and departing Chicago at 3:00 pm. This is similar to the state-supported *Blue Water*

*Limited* that ran before 1982.

Cross-border traffic on the *International* has declined over the past two or three years, as U.S. Customs has been unable (or unwilling) to handle the train in a timely manner. Michigan hopes that other passengers will be drawn to the train if it is more reliable and if it connects with more Amtrak trains at Chicago.

NARP has urged Amtrak to create a Thruway bus connection between Dearborn or Detroit and Windsor, so some semblance of a cross-border day trip through the region is still possible. n



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