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Amtrak's President Is Fired by Its Board

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WASHINGTON, Nov. 9 - Amtrak's board of directors fired the company's president this morning after months of disagreement over a Bush administration plan to privatize parts of the national passenger rail system and spin off other parts to partial state ownership.

The president, David Gunn, who came out of retirement to take the job three years ago, is widely credited with improving the railroad's management, cutting costs, imposing better financial controls and improving the state of repair of Amtrak's locomotives and aging passenger cars, as well as its tracks, signals and electrical systems, which are truly antique.

But Mr. Gunn also opposed the Bush plan to turn over the Northeast Corridor - the tracks from Washington to Boston that are the railroad's main physical asset - to a federal-state consortium.

And while ridership has risen to record levels recently, costs are also up sharply, with government auditors predicting that Amtrak's budget deficit will grow sharply larger in the next few years. The Bush administration has said it is determined to end the perennial subsidies to the railroad, which was created 30 years ago to take over passenger service as the commercial railroads abandoned that business as unprofitable.

In a statement, the chairman of the board, David Laney, said that Mr. Gunn had helped make improvements but that "Amtrak's future now requires a different type of leader who will aggressively tackle the company's financial, management and operational challenges."

"The need to bring fundamental change to Amtrak is greater and more urgent than ever before," he said.

Mr. Gunn, in a brief telephone interview, said, "Obviously what their goal is, and it's been their goal from the beginning, is to liquidate the company."

Some of Amtrak's supporters immediately pledged to seek his re-instatement.

Amtrak has had a decidedly mixed track record in the last few days. The Senate just voted 93-6 to authorize \$11.6 billion for Amtrak over the next six years, although the vote did not actually appropriate any money. That measure, which must face a differing House version in a conference committee, would make the Amtrak president a member of the board of directors, all of whom were appointed by President Bush.

Both the House and Senate have supported aid packages for the current fiscal year that are far more generous than the White House has proposed.

But the Government Accountability Office, the auditing arm of Congress, said last week that while progress had been made at the railroad, Amtrak still needed "fundamental improvements."

"Amtrak lacks a meaningful strategic plan that provides a clear mission and measurable corporate-wide goals, strategies and outcomes to guide the organization," the auditors said.

The transportation secretary, Norman Y. Mineta, who is the senior member of the Amtrak board, responded that the G.A.O. finding was "devastating" and that the board "must stop and take a fresh look on how to proceed in the face of this non-partisan, objective, report of systemic failure." Mr. Mineta has embraced the Bush plan to spin off the Northeast Corridor and open Amtrak's other routes to competition from other train operators.

Supporters describe the loss of Mr. Gunn as a major blow. Mr. Gunn is credited with turning around the New York City subway system in the late 1980's, and after that, presiding over a massive construction effort in Washington to build the rail transit system here.

He came to Amtrak in the spring of 2002, after previous management had driven the railroad deep into debt in an effort to achieve "operational self-sufficiency," as had been ordered by Congress in an earlier reform effort.

Amtrak said that its chief engineer, David Hughes, would assume Mr. Gunn's responsibilities on an acting basis.