

Board fires Amtrak's Gunn

It said faster change was needed for debt-laden public rail. Democrats questioned the move.

**By Devlin Barrett
Associated Press**

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WASHINGTON -Amtrak president David Gunn was fired yesterday by the company's board of directors, who said Gunn did not drive the debt-laden national rail system fast enough toward major changes.

Democrats criticized Gunn's ouster and questioned whether the firing was legal, contending it was part of a Bush administration effort to kill national passenger rail service.

As Amtrak's president and chief executive, Gunn struggled to maintain service amid a sinking financial picture and a push by the White House and some in Congress to transform the railroad into a group of companies offering regional service.

Gunn, who took over Amtrak in 2002, told Bloomberg News that he was offered the chance to resign but refused because "if I resigned, it would have looked like I abandoned" the railroad.

"I was not on board with destroying the company," Gunn said. "I think that's what they're about."

Gunn, 68, previously headed public transit systems in New York, Washington and

Toronto, and ran SEPTA from 1979 to 1984.

Amtrak's chief engineer, David Hughes, will serve as acting president and chief executive during a national search for a new leader, Amtrak said.

Amtrak board chairman David Laney praised Gunn's effort to put Amtrak in good working order but said the company's needs went further.

"That is not acceptable. We're more ambitious than that," Laney said. "We just need to change gears."

He said a gradually worsening relationship between Gunn and the board, not any single disagreement, led to the ouster.

Rep. John L. Mica (R., Fla.) said Gunn was fired because of a clash over the board's vote in September to authorize splitting off the Northeast Corridor, which the administration supports. The Washington-Boston service has the largest share of Amtrak's ridership.

Gunn "bucked that idea, so that was the straw that broke the camel's back," said Mica, a member of the House Transportation and Infrastructure subcommittee on railroads.

Sen. Charles E. Schumer (D., N.Y.) praised Gunn as "a brilliant manager" and said his firing "decapitated Amtrak."

Schumer and other Democrats said Gunn's firing might have been illegal because the seven-member board has three vacancies, while two members serve by recess

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appointment.

The board's four voting members are Laney, a Dallas lawyer and former head of the Texas Transportation Department; Floyd Hall, a former Kmart Corp. chief executive; Enrique Sosa, a former BP Amoco Chemicals president; and Transportation Secretary Norman Y. Mineta.

Laney said the board had the authority to act as it did.

"David's a very popular guy and I understand some of the responses are very emotional," Laney said, "but unfortunately they're without substance."

Rep. James L. Oberstar of Minnesota, the top Democrat on the House Transportation and Infrastructure Committee, said he would seek to have Gunn testify next week at a hearing.

Other lawmakers criticized Gunn as a roadblock to overhauling national rail service.

"I am hopeful that new leadership can open the door for Amtrak to work closely with Congress to achieve meaningful reforms," said Rep. John E. Sweeney (R., N.Y.).

Amtrak has never made money in its 34-year history. An operating loss of more than \$550 million was expected for the budget year that ended Sept. 30. The railroad has a debt of more than \$3.5 billion.

The White House has urged an end to subsidies for Amtrak, but the House

approved an appropriation of nearly \$1.2 billion for this budget year.

In recent months, Amtrak has been besieged by problems up and down the line, from equipment breakdowns to big-ticket budget woes.

Earlier this year, it suspended all high-speed Acela service between Washington, New York City and Boston, due to cracks discovered in the brakes. The service has since been restored.

A report last week by the Government Accountability Office, the auditing arm of Congress, said Amtrak needed to improve how it monitored performance and oversaw its finances.

Jed Dodd, general chairman of the Pennsylvania Federation of the Brotherhood of Maintenance of Way Employes Division, the Teamsters local that represents more than 2,000 trainmen, linemen and other railworkers on Amtrak's Northeast Corridor, said yesterday: "I was never a fan of David Gunn. His hostility to the employees is well-known."

Dodd said he was not particularly a fan of acting president Hughes either but hoped Hughes would move labor negotiations off a six-year stalemate that began when the Brotherhood's contract came up for renewal Nov. 1, 1999. Dodd chairs the bargaining committee handling negotiations for the Maintenance of Way Employes' 2,500 Amtrak workers.

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Yesterday, the Brotherhood of Maintenance of Way Employees sued the National Mediation Board and its three members, saying that the President Bush-appointed board failed to mediate a contract between Amtrak and the 2,500 workers, including those represented by Dodd's local, Amtrak's largest.

The lawsuit said the union and Amtrak turned to the mediation board April 7, 2000, as required by law, after six months of negotiations failed to produce a contract. It said the mediator convened meetings fewer than a dozen times in five years, with gaps of more than a year between some meetings. The last session, the suit said, was May 7, 2004.

Rachel Barbour, a spokeswoman for the mediation board, said the board typically does not comment on ongoing matters.

Inquirer staff writer Jane Von Bergen contributed to this article.

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