

**NATIONAL RAILROAD PASSENGER CORPORATION**

**BOARD OF DIRECTORS**

**MINUTES OF MEETING**

**September 15, 2022**

The Board of Directors (Board) of the National Railroad Passenger Corporation (Amtrak or Corporation) held a duly noticed meeting on Thursday, September 15, 2022, at Amtrak headquarters, 1 Massachusetts Avenue, Washington, DC.

Board members participating in the meeting were Anthony Coscia (Board Chairman), Jeff Moreland (Vice- Chairman), Tom Carper, Chris Beall, Yvonne Burke and Stephen Gardner (Chief Executive Officer, non-voting) also participated in the meeting.

Paul Nissenbaum (FRA Associate Administrator) participated in the meeting.

Roger Harris (President), Eleanor D. Acheson (Executive Vice President, Chief Legal Officer, General Counsel & Corporate Secretary), Tracie Winbigler (Executive Vice President, Chief Financial Officer), Steve Prodmore (Executive Vice President, Chief Safety Officer), Gery Williams (Executive Vice President, Chief Operating Officer), Christian Zacariassen (Executive Vice President, Digital Technology & Innovation), Dennis Newman (Executive Vice President, Strategy & Planning), Qiana Spain (Executive Vice President, Chief Human Resources Officer), Laura Mason (Executive Vice President, Capital Delivery) and Bruno Maestri (Vice President, Government Affairs & Corporate Communications) participated in the regular session of the meeting.

Costin Corneanu (Vice President, Financial Planning & Analysis), Maegan Keane (Assistant Vice President, Financial Planning & Analysis), Robert Grasty (Senior Vice President, Human Resources), Robert Foster (Assistant Vice President, Talent Acquisition), Candace Lindner (Senior Director, Talent Development), Matt DePaso (Manager Recruitment Marketing), Sam Dotson (Vice President, Chief Amtrak Police), Justin Meko (Vice President, Operational Safety), Jina Sanone (Vice President, NEC

Service Line), Michelle Tortolani (Assistant Vice President, New Acela Program), Shana Johnson (Business Strategy Director, NECSL), Gretchen Kostura (Senior Director, Coordination & Special Projects), William Herrmann (Vice President, Managing Deputy General Counsel & Assistant Corporate Secretary) and Whitney Jordan (Associate General Counsel) also attended the meeting.

The meeting was convened by Mr. Coscia in executive session at 9:00 a.m. Mr. Kevin Winters (Inspector General) and Ms. Mary Kendall (Deputy Inspector General) were invited to join in Executive Session.

#### **INSPECTOR GENERAL'S REPORT**

Mr. Winters reported to the Board on confidential Inspector General matters. Mr. Winters and Ms. Kendall departed the meeting at 10:00 a.m. and the meeting adjourned.

#### **REGULAR SESSION**

The meeting was called to order in regular session at 10:00 a.m. and a quorum was confirmed. The minutes were recorded by Ms. Acheson and Mr. Herrmann.

#### **FY 2023 ANNUAL OPERATING PLAN OVERVIEW**

Ms. Winbigler discussed the effort to build the FY23 Annual Operating Plan (AOP) and focused on the impact inflation is having as well as other identified risks. Ms. Winbigler also discussed the business segmentation methodology that is being implemented to be able to distinguish the passenger business from the infrastructure business. Then she turned to Mr. Corneanu to discuss the details of the FY23 AOP.

Mr. Corneanu reported that the FY23 AOP assumes vastly increased inflationary costs compared to FY 2019 but is missing all the revenue growth and business travel demand we would have expected from FY 2020 - FY 2022 if the business had proceeded without the pandemic. Mr. Coscia asked whether Amtrak is required to make a pension contribution and Ms. Winbigler confirmed that Amtrak is not required to make a pension

contribution but is keeping the option open to do so if deemed appropriate.

The Board asked questions and discussed the various issues raised by the presentation. After further discussion among the Directors upon motion made by Mr. Beall and seconded by Ms. Burke, the voted to adopt the following resolutions:

**WHEREAS**, National Railroad Passenger Corporation ("Amtrak" or "Corporation") policy requires the Board of Directors ("Board") to annually approve the Annual Operating Plan ("AOP") after receiving recommendation from the Audit & Finance Committee of the Board ("AFC"); and

**WHEREAS**, The AFC has reviewed the proposed FY 2023 AOP, including the proposed total FY 2023 capital spend of (b)(4) (the "FY 2023 Capital Spend Plan) which is predicated on Amtrak's receipt of approximately (b)(4) of annual federal funding (the "Necessary AOP Funding Amount") and has recommended the Board approve the FY 2023 AOP, including the FY 2023 Capital Spend Plan, provided, that, (i) unless and until Amtrak receives the Necessary AOP Funding Amount, Management may alter, delay and/or defer appropriate levels of the FY 2023 Capital or Operating Spend Plan to ensure cash levels are appropriately maintained and (ii) upon confirmation of a federal funding level materially different from the Necessary AOP Funding Amount, Management shall return to the Board with a revised FY 2023 AOP (the "AOP Approval Conditions"); and

**WHEREAS**, Amtrak policy requires Board approval for any capital project contained within the AOP with life of-project ("LOP") costs above (b)(4) after receiving recommendation from the AFC; and

**WHEREAS**, the AFC has reviewed the scope and financials related to the following capital projects in the FY 2023 AOP with LOP costs that exceed (b)(4) (collectively, the "Over (b)(4) Capital Projects");

(b)(4)

; and

**WHEREAS**, the AFC recommends that the Board approve the Over (b)(4) Capital Projects; and

**WHEREAS**, the AFC has reviewed the scope and financials related to the following capital projects in the FY 2023 AOP with estimated LOP costs that exceed (b)(4) (collectively, the "Potential Over (b)(4) Capital Projects");

(b)(4)

**WHEREAS**, the AFC has been informed that the Potential Over (b)(4) Capital Projects are still in preliminary and/or pre-construction phases and the estimated LOP costs for such projects may change as each of the projects progress; and

**WHEREAS**, the AFC recommends that the Board approve the FY 2023 AOP costs related to the Potential Over (b)(4) Capital Projects, provided, that, Management (i) provides the AFC quarterly updates on the capital spend related to the Potential Over (b)(4) Capital Projects and (ii) obtains AFC approval for any commitment to spend additional costs related to the respective Potential Over (b)(4) Capital Project above the approved FY 2023 AOP amount set forth above that exceed (b)(4) (the "Potential Over (b)(4) Capital Project Approval Conditions"); and

**WHEREAS**, The AFC recommends that the Board approve the (i) FY 2023 AOP, including the FY 2023 Capital Spend Plan, subject to the AOP Approval Conditions, (ii) Over (b)(4) Capital Projects and (iii) FY 2023 AOP costs related to Potential Over (b)(4) Capital Projects, subject to the Potential Over (b)(4) Capital Projects Approval Conditions; and

**WHEREAS**, the Chief Financial Officer, in consultation with appropriate Management officials, has provided the AFC and the Board with information and recommendations that the Corporation should make no cash contribution to the Corporation's Retirement Income Plan ("Pension Plan") for FY 2023; provided, however, that if the Adjusted Operating Loss forecast for FY 2023 is favorable to

the FY 2023 AOP by more than (b)(4) in Q4 of FY 2023, then Management recommends that the Corporation should make a voluntary contribution of up to (b)(4) at that time, the exact amount to be determined by the Chief Financial Officer, in her sole discretion (collectively, the "Pension Plan Contribution Recommendation"); and

**WHEREAS**, the Board has reviewed the foregoing recommendations and deems it to be in the best interests of the Corporation to approve the (i) FY 2023 AOP, including the FY 2023 Capital Spend Plan, subject to the AOP Approval Conditions, (ii) Over (b)(4) Capital Projects, (iii) FY 2023 AOP costs related to Potential Over (b)(4) Capital Projects, subject to the Potential Over (b)(4) Capital Projects Approval Conditions and (iv) Pension Plan Contribution Recommendation; therefore, be it

**RESOLVED**, That the Board approves the (i) FY 2023 AOP, including the FY 2023 Capital Spend Plan, subject to the AOP Approval Conditions, (ii) Over (b)(4) Capital Projects, (iii) FY 2023 AOP costs related to Potential Over (b)(4) Capital Projects, subject to the Potential Over (b)(4) Capital Projects Approval Conditions and (iv) Pension Plan Contribution Recommendation; and

**FURTHER RESOLVED**, That the Chief Financial Officer, or her designee, is hereby authorized and empowered, in the name and on behalf of the Corporation, to execute and deliver documents necessary to, and take all necessary and appropriate actions to implement and effectuate, the Pension Plan Contribution Recommendation.

(5-0-1) Mr. Nissenbaum abstained.

#### **PLANNING PRIORITIES FOR SERVICE & ASSET DEVELOPMENT AND IMPROVEMENT**

Mr. Newman introduced Ms. Bucich who recently joined Amtrak after working at the Northeast Corridor Commission. Ms. Bucich described how she is prioritizing the projects against the available funding and working with partners to advance Northeast Corridor and National Network development initiatives. Ms. Bucich explained that the key FY 2023 goals are to: 1) Include high-cost major backlog NEC infrastructure projects in FRA's NEC Inventory; 2) Advance project development agreements with state and commuter partners in support of NEC initiatives; 3) Maintain near-term expansion opportunities on track for implementation Collaborate with

FRA to facilitate Corridor ID program initiatives; and 4) Expand partnerships with states to advance corridor development opportunities.

Ms. Bucich then shifted to work being done to advance network development and reported that the FRA established the Corridor Identification and Development Program (Corridor ID) on May 13, 2022, to provide a framework for intercity passenger rail corridor and project development, including the establishment of a pipeline of projects selected for development and federal funding. The Corridor ID program will be the primary means for intercity passenger rail corridor development using federal funds, and will fund pre-construction activities including service development plans, infrastructure improvement identification, NEPA and Preliminary Engineering. Eligible projects include: new service; addition/expansion of existing service; and improvements to existing PRIIA 209 state-supported services (i.e., station improvements, congestion mitigation, state of good repair, equipment, speed improvements). Projects in the pipeline will receive preference for discretionary grant program funding for final design and construction. FRA is accepting Expressions of Interest for the Corridor ID program from states and other eligible entities and will solicit applications for the Corridor ID program in late 2022.

The Board asked questions and discussed the various issues raised by the presentation.

#### HOST RAILROAD STRATEGY

Mr. Blair described how service was restarting after having been stopped in anticipation of the freight railroad strike. Mr. Blair then reported on the Gulf Coast litigation and mediation and summarized the pending Canadian National litigation as well as operating agreement negotiations with Union Pacific. Mr. Blair also discussed planning for potential 213 claims where performance triggers the option to pursue a solution at the Surface Transportation Board.

The Board asked questions and discussed the various issues raised by the presentation.

### ADJOURNMENT

The Chair adjourned the meeting for lunch at 11:30 a.m. The meeting was called to order again in regular session at 12:30 p.m.

### SUCCESSION PLANNING

Ms. Spain and Ms. Lindner discussed the overall succession planning process and briefed the Board on aspects of the program including the metrics they use to track retention. Ms. Winbigler then described her succession plan.

The Board asked questions and discussed the various issues raised by the presentation.

### TALENT ACQUISITION UPDATE

Ms. Spain introduced Mr. Foster and Mr. DePaso to summarize steps taken to meet Amtrak's hiring needs. Mr. Foster reviewed recruiting metrics for each department and efforts to build the talent to fill the departmental needs.

The Board asked questions and discussed the various issues raised by the presentation.

### FY 2023 SAFETY STRATEGY

Mr. Predmore introduced the variety of risks that impact safety and require us to increase our resilience. Mr. Meko described the changes to the Safety Strategy and the metrics they will use to determine success.

The Board asked questions and discussed the various issues raised by the presentation. After further discussion among the Directors, upon motion made by Mr. Beall and seconded by Mr. Carper, the Board voted to adopt the following resolutions:

**WHEREAS**, the Safety and Security Committee ("S&S Committee") charter requires the S&S Committee to approve the annual safety goals and strategy; and

**WHEREAS**, Amtrak policy requires the Board of Directors (the "Board") to approve any proposed action or other matter having

extraordinary or material impact on Amtrak's statutory mission and strategic goals; and

**WHEREAS**, Management has developed a safety Strategy to continuously improve its safety program and has updated such strategy for FY 2023 as set forth in the Executive Summary (the "FY 2023 Safety Strategy"); and

**WHEREAS**, Management has developed proposed FY 2023 primary safety metrics and goals as set forth in the Executive Summary (together with the FY 2023 Safety Strategy, the "FY 2023 Safety Strategy & Metrics") to ensure that Amtrak's primary metrics drive actions and desired outcomes to achieve continuous improvement; therefore, be it

**RESOLVED**, The S&S Committee has reviewed and approved the proposed FY 2023 Safety Strategy & Metrics and recommends it be adopted by the Board; and

**FURTHER RESOLVED**, That the Board approves Management's proposed FY 2023 Safety Strategy & Metrics; and

**FURTHER RESOLVED**, That the Board directs the CEO and the Executive Vice President Chief Safety Officer to take any and all actions necessary to prioritize and execute all aspects of the FY 2023 Safety Strategy & Metrics with the full cooperation of all other members of the Executive Leadership Team, including, without limitation, allocating time and resources to work with outside entities (including entities dedicated to grade crossing safety) to execute the strategy.

(6-0)

#### **FY 2023 SECURITY STRATEGY**

Mr. Predmore introduced the variety of risks that impact safety and security and require us to increase our resilience. Chief Dotson described the changes to the Security Strategy and the metrics they will use to determine success.

The Board asked questions and discussed the various issues raised by the presentation. After further discussion among the Directors, upon motion made by Mr. Carper and seconded by Mr. Beall, the Board voted to adopt the following resolutions:

**WHEREAS**, the Safety and Security Committee ("S&S Committee") charter requires the S&S Committee to approve the National Railroad



Passenger Corporation ("Amtrak") annual security goals and strategy; and

**WHEREAS**, Amtrak policy requires the Board of Directors (the "Board") to approve any proposed action or other matter having extraordinary or material impact on the Company's statutory mission and strategic goals; and

**WHEREAS**, Management has developed a security strategy to continuously improve its Security program and has updated such strategy for FY 2023 as set forth in the Executive Summary (the "FY 2023 Security Strategy"); and

**WHEREAS**, Management has developed proposed FY 2023 primary security metrics and goals as set forth in the Executive Summary (together with the FY 2023 Security Strategy, the "FY 2023 Security Strategy & Metrics") to ensure that Amtrak's primary metrics drive actions and desired outcomes to achieve continuous improvement; therefore, be it

**RESOLVED**, The S&S Committee has reviewed and approved the proposed FY 2023 Security Strategy & Metrics and recommends it be adopted by the Board; and

**FURTHER RESOLVED**, That the Board approves Management's proposed FY 2023 Security Strategy & Metrics; and

**FURTHER RESOLVED**, That the Board directs the CEO and the Executive Vice President Chief Safety Officer to take any and all actions necessary to prioritize and execute all aspects of the FY 2023 Security Strategy & Metrics with the full cooperation of all other members of the Executive Leadership Team.

(6-0)

### Northeast Corridor Strategy

Ms. Sanone, Ms. Johnson, and Ms. Tortolani joined the meeting to discuss the NEC strategy that is focused on the next 3-7 years. Ms. Sanone noted that business travel is still well below pre-pandemic levels but leisure travel continues to grow robustly. Ms. Sanone described the strategy, which is focused on increasing ridership across the range of passenger demographics.

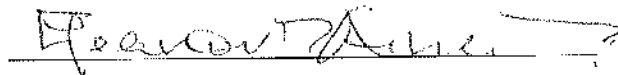
The Board asked questions and discussed the various issues raised by the presentation.

EXECUTIVE SESSION

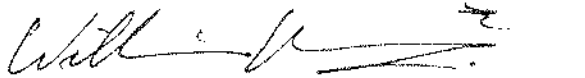
At 2:00 p.m., the Board concluded the regular session and began meeting in Executive Session.

ADJOURNMENT

There being no further business before the Board, the meeting adjourned at 2:15 p.m.



Eleanor D. Acheson  
Corporate Secretary



William Herrmann  
Assistant Corporate Secretary