

FEATHER RIVER RAIL SOCIETY – AGENDA REPORT

DATE: April 11 2013
FROM: Eugene Vicknair – Director / Rod McClure - President
ITEM: New Business Item 1
SUBJECT: **Scrapping of Alaska Power Car**

Due to its deteriorated condition and projected high cost to repair, we would like to propose that the Alaska Power Car be added to the upcoming scrapping program. This car has not been placed in the collection and thus does not require any action by the Collections Committee.

REQUESTED ACTION: Approve scrapping of Alaska Power Car.

DATE: April 11 2013
FROM: Eugene Vicknair – Director
ITEM: New Business Item 2
SUBJECT: **Sale of SP SD9 4404**

Western Rail has reconsidered their offer on the SP SD9 4404 in light of changing circumstances with their business. They are proposing purchasing the 4404 for \$40,000 for the purpose of dismantling it on FRRS property for parts, then scrapping the remains.

A draft contract has been provided and reviewed by FRRS legal counsel.

REQUESTED ACTION: Approve the sale of SP SD9 4404.

DATE: April 11 2013
FROM: Eugene Vicknair – Director / James Mason
ITEM: New Business Item 3
SUBJECT: **Donations / Fundraising Campaign**

Bob Sims has offered to make several combined donations as a start to pushing along several facilities improvement projects. These include completing the fencing around the facility; adding to the pedestrian walkways, specifically in the area of the Train Loading Area, and constructing a covered storage / display building on the property. James Mason has offered additional donations to join with Bob's and to help coordinate some of the fundraising efforts.

It is proposed that we create two Capital Campaigns to utilize these donations:

1 - Modify the already approved Spring Fundraising Campaign, which is focused on the fencing, to include the donations as a matching challenge. I have previously discussed this with Gail McClure who is coordinating the letter to the membership. I would also like to consider folding in the Walkway work as part of the fundraising goal in the letter.

2 – Create a longer term Capital Campaign to be initiated at the June Membership Meeting or at the May Historical Convention. This campaign will have the goal of building one of the Display Buildings proposed in the approved Museum Master Plan. As Site Committee Chair, I will work with our interested fundraisers in creating the Campaign and managing it to completion.

REQUESTED ACTION: Accept the donations and approve the Fundraising proposals.

DATE: April 11 2013
FROM: Eugene Vicknair – Director
ITEM: New Business Item 4
SUBJECT: **Facilities Improvements**

In light of the donations and fundraising proposal made in Item 3, I propose the Board approve the expansion of the Train Loading Area to the west end of the Diesel Shop, as outlined in the Museum Master Plan. I would also propose the Board formally approve expenditure for the Fencing. Projected cost to complete the Loading Walkway is \$15,000 to \$18,000 (of which \$10,000 has been pledged and / or donated and projected cost to complete the Fencing is \$11,000 to \$13,000 (of which \$8,500 has been pledged and / or donated). This leaves \$7,500 to \$12,500 project cost not covered that needs to be raised.

There are two income streams for this difference: one is using the currently approved Spring Fundraiser with the current donations included as a challenge / inspiration. The other is the previously approved Short Term Capital Plan, which has \$14,000 earmarked for the fencing and other facility / security improvements, with income based on scrapping and equipment sales.

I propose that we modify the Spring Letter to highlight the Fencing, which will be first priority, and the Walkway Extension and use the current donations as a challenge goal. All monies raised through this will allow money earmarked in the Capital Plan for fencing / facilities to be released to other programs. The remaining cost, if any, will be covered by the Capital Plan income.

I would like to set a goal of the June Members Meeting to have the Fencing and Train Loading Area completed.

REQUESTED ACTION: Approve the Facilities Improvements and funding plans as presented in the report.

DATE: April 11 2013
FROM: Eugene Vicknair – Director
ITEM: New Business Item 5
SUBJECT: **Virgil Staff Film Scanning**

As part of the preparations for the WP Convention, I pulled 17 reels of 16mm film from the Virgil Staff collection with permission of our Archivist. I took these to a professional scanning service here in the Bay Area. This company came highly rated and has done a lot of work for other museums and archives. In fact, I learned that they just completed scanning some films for Roaring Camp showing the construction of the narrow gauge up Bear Mountain.

They offer a premium service that includes cleaning, frame by frame scanning at High Definition (1080p), color correction and image enhancement. As we are a non-profit and have over 17,000 feet of film, they offered a 20% discount on the work.

They would be delivering the digital films as uncompressed, high definition MPEG4 files suitable for editing. They would be making 3 duplicates of the complete file suite for us onto hard drives we supply. Also, they offered us a discount on a special option: providing 1080p stills of each frame. This would give us another source of still images for publications and other uses. The stills would be uncompressed TIFF files.

The total quote for this package is \$8,700, plus an outside cost of about \$500 for 3 2TB hard drives. (Note: they can duplicate to Blu-Ray or DVD, but their recommendation was hard drive since we intend to reedit the films. Burning to Blu-Ray or DVD would make this more difficult.)

I looked at other work they had done and it looks very good to me. They showed me examples of the stills they get off the 16mm as well. They are, of course, not as large as a scanned still negative, but for small / medium size images in publications, they should be very usable.

I also checked with some other, well rated scanning services and verified their price is quite good for everything they are going to do.

We can, of course, take smaller bites, do 2-3 at a time, but we would like pay a higher aggregate cost.

One important item: the guys at the scan house noted a couple of the films are developing a vinegar smell. I smelled it as well. This is a sign of the film starting to degrade. They offered to identify affected films during their cleaning pass and said they would sequester those in special bags that would slow down the degradation and prevent them from affecting other films.

Obviously, this is a large cost. We did allocate \$15,000 in the 2012-2013 Short Term Capital Plan for archives support, but that is contingent upon the scrapping and sales activities currently underway. Also, I believe we have \$15,000 in the Archives restricted fund.

Another consideration is that soon it would probably be a good idea to create the media server / storage computer we have talked about for a couple years and duplicate these scans to that as well. That would cost an estimated \$3000 to \$4000.

On the revenue side, I took a quick look at DVD and Blu-Ray replication costs and the retail market. Assuming an order of 200 DVDs and 200 Blu-Rays, the total cost per unit with covers, artwork, shrinkwrapped for sale and including shipping would be about \$3.75 to \$4.25 for DVDs and \$4.85 to \$5.50 for Blue-Rays. 1 hour discs are retailing for about \$20 (when in multi sets) to \$40 depending on subject.

If we set a target retail of \$22 for DVD and \$24 for Blu-Ray, our hypothetical order has a projected profit total of \$7,380 per 1 hour title on a 400 disc order. With just the films I brought to the scanner, we have about 8 hours of raw footage. Just two 400 disc orders, completely sold, would recoup all the costs mentioned above.

I ask the Board to approve \$10,000 from the Archives Restricted Fund to cover scanning and storage purchase, with a goal toward producing home media for sale to benefit the Archives. In 6 months, the Board should review our needs for media storage / server and consider purchase of the required equipment or external space.

REQUESTED ACTION: Approve the report and expenditure not to exceed \$10,000 for the high resolution scanning of 17 of the Virgil Staff films. Cost to come from Line Item 40409 – Archives and Library. Expenditure to be offset by income from the Short Term Capital Plan already earmarked for Archives.