

FEATHER RIVER RAIL SOCIETY

BOARD OF DIRECTORS MEETING MINUTES

Meeting held February 18 1996 at the Silver Lady Bed & Breakfast in Delleker CA.. Time of Meeting 11:00 AM.

FRRS Directors present: S. Habeck, C. Lippincott, W. Monger, G. Wollesen, P. Langdon and H. Stiles.

FRRS Directors absent: N. Holmes, B. Cooper, S. Cooper and V. Neves.

FRRS Members / Visitors present: Lolli Bryan, (the proprietor of the 'Silver Lady'), Linda Monger, Mardi Langdon, Tom Graham, Jeff Palmer, Dave and Julie Anderson.

Meeting called to Order by FRRS President Steve Habeck at 11:41 AM.

(1), Minutes of the previous Meeting:

M: G. Wollesen, S. H. Stiles, "That we accept the Minutes of the January Meeting as presented". Motion passed 5-0.

(2), Special Orders: No Special Orders were invoked.

(3), Financial Reports:

(3.1), Gift Shop: \$894.77 @ 2/16/96. (3.2), General Acct.: \$3,834.45. (3.3), CU Loan: \$00.00. (3.4), CU Savings: \$8,710.06 @ 2/16/96. (3.5), Special Acct.: \$1,140.62 @ 2/16/96. (3.6), Skip's Acct.: \$800.00. (3.7), Plumas Savings: \$2,432.89 @ 1/1/96. (3.8), Placer Savings: \$21,967.48 @ 2/9/96. (3.9), B of A Acct.: \$1,009.16. (3.10), Beanery Acct.: \$35.00. (3.11), CU Certificate: \$50,578. (3.12), Golf Classic Acct.: \$109.98 @ 2/1/96.

At this point Gordon made the following statement on behalf of Norm Holmes. Gift Shop Accts. payable; \$4,072. Raffle receipts to date; \$2,970. GP9 donations received to date; \$6,590. Received From the SP Historical Society: \$450. Headlight publication costs; \$2,970. for printing only. Typeset costs were \$156.75. Photo costs, \$1,094. Giving a total cost of \$4,221.37. Estimated mailing cost \$350. Envelopes, \$105. Norm projects that the receipts from the wholesale selling of the Headlight to be approx. \$1,800. Norm withdrew \$6,000 from the Placer Savings Acct. to cover the cost of the Headlight and to replace Gift Store inventory. The transportation costs for the GP9s, \$10,150, was also withdrawn from the Placer Acct.. Gordon reminded the Board, that of the balance, \$2,500 is from the E of A Grant for upgrading the shop electrical system and cannot be used for anything else. Also, \$5,000 is locked up as our portion of the payment to the UP via Pacific Limited. We still have insurance premium charges outstanding plus misc. outgoings. The point of this statement and Gordon's comments are that, while the Society is far from being 'broke', which is the perception of some Members, the receipts etc. for 1995 are down on previous years,

so we have to be very careful about spending money for the foreseeable future. After some discussion, the Board agreed that our outgoings were in line with our plans and projections, for instance, the profit on the sale of the SP GP9s largely financed the purchase of the WP GP9s. The Board discussed ways of generating more income, including selling more surplus equipment ie., the boom truck. The Board also agreed to keep the Membership more informed of what was discussed at Board Meetings via the Train Sheet. At this point, M: P. Langdon, S: W. Monger, "That we accept the Financial Report as presented". Motion passed 5-0.

(4), Department Head and Committee Reports:

(4.1), Publicity: By Hank Stiles. Hank presented a list of publications that he has contacted regarding continuing the placement of existing adverts or new adverts. The new adverts will place more emphasis on the Operate a Locomotive Program. The list includes Locomotive & Railway Preservation, Passenger Train Journal, Pacific Rail News and Vintage Rails as well as certain non rail interest magazines. The cost of placing the ads in the Pentrex magazines will be in the region of \$790 for one year. Hank stated that he has been in contact with the Alumni Associations of University of the Pacific and Cal. State, Berkley. UOP do not accept adverts but they would consider a short article about the Museum for their Alumni magazine. Hank is in contact with three Sacramento TV stations regarding the public service announcements tape about the Society. Hank has also been discussing public service announcement slots and adverts with local radio stations. Clyde mentioned that giving presentations to service clubs might be a source of good publicity. Finally, Hank asked the Board if we also wished to place an advert in the Bay Area Garden Railway Association Magazine. After some discussion, M: H. Stiles, S: C. Lippincott, "That we authorize the placing of the adverts in the Pentrex publications, the total cost not to exceed \$900". Motion passed 5-0.

(4.2), Public Relations: Nothing new to report.

(4.3), Membership: Nothing new to report.

(4.4), Gift Shop: Business continues to be good in spite of the poor weather. Norm has purchased more stock in preparation of the coming seasons.

(4.5), Facilities: By Gordon Wollesen. Gordon has received a verbal updated estimate for the upgrading of the shop electrical system. The new estimate is about \$1,600 more than the original estimate made two years ago of \$3,400. The new estimate also reflects some additional work. Gordon mentioned that he has discussed upgrading the shop lighting from incandescent to metal halide. Gordon suggested that we buy four 400 watt metal halides to install in place of seven incandescents in the west half of the north row of lights for evaluation. The cost will be approximately \$800. As a result, M: H. Stiles, S: P. Langdon, "That we move ahead with the test of the metal halide fixtures". Motion passed 5-0. Gordon stated that the roof leak repair has not worked as well as expected. Gordon suggested that when funds

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permit, we hire a contractor to spray a flexible butyl type seal to the roof. The Board agreed that we need to investigate a more permanent solution to the problem of the roof leaks. Wayne mentioned that Tom Graham and Dave Anderson have made an excellent job of 'straightening out the shop'.

(4.6), **Grants:** Nothing new to report.

(4.7), **CMO:** By Hank Stiles. The GP9's are on site. The 731 has been started but as yet will not run because of a control system problem. Hank plans on trying the 725 after the Board Meeting if time permits. We have still not received the horns from Council Bluffs. Hank has been told that they will be shipped within the next day or so. Dick Hulbert has agreed to participate in the Maintenance Clinics this year. Hank mentioned that Mike Johnson, a new Life Member who is a field engineer for Dresser Wayne, may be able to help with locating parts for the Foley Bros. 110-1. Hank stated that the Baldwin-EMD, FR&W 531, owned by Norm, is in excellent condition.

(4.8), **Beanery:** Nothing new to report.

(4.9), **Restorations:** Clyde mentioned that he intends to continue with the restoration of the shower car, starting the first weekend of April. The Board then discussed the restoration / painting projects for 1996. Hank suggested that spending time and money on the shop should be a high priority. The Board totally agreed to this. Wayne then reminded the Board that we have locomotives etc., that have been waiting for years to be restored and / or painted. It was generally agreed that the Ingersoll-Rand should be made a priority because of the publicity possibilities.

(4.10), **Publications:** By Steve Habeck. Headlight no. 11 has been published and is being distributed to the Membership. Steve is still working on the Museum Guide presented by Paul Finnigan.

(4.11), **Pacific Limited:** By Steve Habeck. Pacific Limited has not yet requested partial payment from the groups for the debt owed to UP. Amtrak West has a fleet of cars at Oakland for charter use etc.. PL has been in contact with Amtrak to discuss the possibility of using these cars for excursions. Steve stated that Amtrak's response has been favorable. One possible trip is a round trip in June from Chico to Dunsmuir & back in connection with Dunsmuir's Railroad Days. The train may be pulled by 2472.

(4.12), **Special Events:** By Steve Habeck. Nothing new to report on the R&LHS visit and advance Railfans Day publicity.

(4.13), **Archives:** By Lolli Bryan. Lolli proposed using part of the 105 Business Car as a reference library. After some discussion, the Board decided that books etc. would not be loaned out. Also, as Lolli proposed, the car would be staffed when the library is open. As a result, M: H. Stiles, S: C. Lippincott, "That we authorize Lolli to utilize business car 105 as a reference library for use only by Members of the FRRS". Motion passed 5-0. Lolli also presented WP passenger conductor items donated to the Society by Gary Gervais (?), a retired WP passenger Conductor.

(4.14), **Safety Committee:** By Steve Habeck. The modified training program is still being 'fine tuned' but it will be set up in

time for the new operating season. Hank reported that Jim Ley found the crane seminar to be very interesting and educational. Jim only needs to take one more test and he will be certified to carry out crane inspections.

(4.15), McCloud Proposal Steering Committee: Wayne and Doug

Morgan presented a report of the meeting that they attended with the McCloud Railway as the representatives of the FRRS. The meeting discussed the possibility of the FRRS providing the passenger services for multiple excursions on the McCloud using M.C.R.R.R. #25 and our ex VIA passenger cars. Wayne stated that to make the venture successful, the Society would need to have an exclusive agreement with the McCloud concerning joint operation of any passenger trains so that the market does not become saturated, particularly the first trip behind #25. The only exception would be the already established tours over the McCloud operated by Trains Unlimited and the McCloud's own short trips & proposed dinner trains. The negotiations are only in the preliminary stages at the moment but options such as the McCloud leasing some of our equipment, particularly part of the VIA passenger train have been discussed at length. The type of excursion that we would be involved in are the 'mid to lower' end of the market not the expensive full service type of trips that Trains Unlimited operate. Also, they would be one day out and back trips not multiple day operations. If our VIA cars are used, they will need to have some work done on them, i.e., installing self contained power systems or converting them to run from head end power, replacing the toilet systems. Doug Morgan stated that he felt that the McCloud would benefit from the Society's expertise in running passenger trains, so the venture could be of benefit to both parties. If our equipment is used on the McCloud, they will be manned by FRRS personnel. The Board discussed any possible impact to the manpower levels at the museum and the costs of getting the cars up to standard. Doug estimated that it would probably cost in the region of \$50,000 to \$100,000 for the five cars. After a lot of discussion, the Board decided that the venture is worth pursuing a lot further and if necessary, we would take up a loan to finance the initial costs. It is considered that projects of this nature involving the Society are going to become a necessity to raise revenue for the FRRS and the Museum.

At the same meeting, the sale of ex. US Steel 18, exx. McCloud 30 to the McCloud Railway was discussed. If McCloud decided to purchase the locomotive, the idea of a part cash payment part trade for wheel replacement on some of our locomotives was suggested. The Board agreed that this could be a satisfactory arrangement.

(5), Correspondence: Steve produced extracts from the Pacific

Limited financial report for 1995. Steve also received a thank you letter from a lady who lives in Blairsden, thanking us for the Santa Trains last December.

- (6), **Museum Executive Director Report:** No report was presented because Norm was unable to attend the Meeting.
- (7), **Old Business:**
- (7.1), **Updates:**
- (7.1A), **Doug Morgan Proposal:** Doug presented a draft proposal to the Board concerning the Pioneer etc..
- (7.1B), **Directors Insurance:** Nothing new to report.
- (7.1C), **Property sale & land acquisition:** Norm has had a meeting with the owners of the hospital, the result of which, will be presented to the Board at a later date. There is nothing new to report on the other property issues.
- (7.1D), **Up 737:** The lease agreement has been signed & returned to the Nevada State Railroad Museum.
- (7.1E), **Gray's Flat Rail:** Nothing new to report.
- (7.1F), **SP 1215:** Norm and Doug will be attending a Meeting of the Kings County Board of Supervisors on Feb. 27.
- (7.1G), **Switches / table drop trade:** Nothing new to report.
- (7.1H), **WP 725 & 731 status and use:** Nothing new to report.
- (7.2), **By-Laws change proposal for Directors Terms, (Tom Graham):**
The proposal presented last month has been changed to become effective from 1997 if adopted. M: H. Stiles, S: G. Wollesen, "That we submit this By-Law change to the Membership on the Ballot this year". Motion passed 5-0.
- (7.3), **Organizational Chart review and approval:** Tabled until a later Meeting.
- (7.4), **David Dewey employment proposal; define duties:** Steve has not had time to review Dave's duties's boundaries, so the issue was tabled for a later Meeting.
- (7.5), **1996 budget outlines from Department Heads:** Nothing new to report.
- (7.6), **Establish standard rates for use of Museum property and equipment:** Tabled until a later Meeting because Bruce Cooper was not present at the Meeting.
- (7.7), **Establish minimum fees for charter train rides:** Tabled for the same reason as 7.6.
- (7.8), **Acquisition of new radio batteries / conditioning charger:** Will purchase when funds become available.
- (7.9), **Glad Hand Award, (nominations):** Six Members will be presented with awards later in the year.
- (7.10), **Membership input items:** Nothing new to add.
- (7.11), **Delineate Ken Rollers duties & responsibilities:** Tabled until the March Meeting.
- (7.12), **Track work plan:** Nothing to add to last month's report.
- (7.13), **Water meter:** Norm and Gordon have had discussions with the City of Portola about the impracticality of installing the type of meter that the City want's to use. As a result, no firm decision has been made by the City concerning the meter.

(8), New Business:

(8.1), FRRS role in proposed tourist operation on the Almanor RR etc.: Steve and Norm have had a meeting with Gene Rude & the other backers of the proposed operation that was mentioned at last month's Meeting. Steve reported that they wish to draw on our expertise, rather than have us actually operate the trains on their behalf. Steve also reported that tourist trains on the Modoc line has been also discussed, involving the Bureau of Land Management.

(8.2), FRRS Board of Directors term limit proposal: This By-Laws proposal was presented by Mardi Langdon. She proposed that the term limit of Board Directors be six years in a nine year period, or six years in a eight year period if the changes proposed by Tom Graham are not approved. After some discussion, during which, Steve mentioned that any By-Laws change proposal brought before the Board should be presented to the Membership. Also, it was mentioned that because incumbents are traditionally not voted off the Board, that many people are discouraged from putting their name forward. Also during the discussion the question of Board attendances was raised, Wayne and Peter pointed out the fact that most of us are not retired and have work and family commitments etc. that prevent attendance of every Board Meeting. As a result, the Board and Mardi agreed that if the proposal was adopted that a one year gap before being eligible for re-election, not three or two would be more acceptable. The Board returned the proposal to Mardi to be changed to reflect the comments made by the Board and presented to the next Board Meeting.

(8.3), Advert in Yellow pages: Hank asked the Board's approval to continue our advert in the Yellow Pages. The Board agreed that we only need a listing under Museums not a separate advert.

At this point, 6:08 PM to 6:20 PM, the Board went into Executive Session

(9), Next Board Meeting: the next Board Meeting will be held 11:00 am at The Silver Lady Bed & Breakfast, Delleker California.

(10), Good of the Order: M: G. Wollesen, S: H. Stiles, "That we adjourn the Meeting". Motion passed 5-0.

MEETING ADJOURNED AT 6:26 PM.

Meeting Minutes transcribed by Peter G. Langdon from audio tapes recorded at the Meeting and personal notes.