

**Feather River Rail Society
Board of Directors Meeting
January 4, 2003
1 p.m.
Crew Lounge, Portola Railroad Museum
Portola, California**

President Rod McClure called the meeting to order at 1:02 p.m. The following directors were present:

Andy Anderson	Frank Brehm	Jan Breitwieser	Norm Holmes
Gail McClure	Hank Stiles	Eugene Vicknair	

Director Cochran participated by telephone. Director Habeck was unable to attend.

Visitors present:

Dan Brady (staff) Alan Turner (staff)

Correspondence

Director Holmes advised he had received an e-mail from an individual in England interested in the tanks. Message was passed to President McClure for follow up.

Consent Agenda

1. Minutes – Approval of the minutes of the regular meeting held December 7, 2002.
2. Financial Reports –

President McClure recommended that the financial reports be removed from the consent agenda for presentation as part of the Budget discussions at the suggestion of Dan Brady, Treasurer.

Motion # 03-01-01 – Motion to remove financial reports from the Consent Agenda. Motion made by Director Vicknair, seconded by Director Brehm. All Directors present voted in favor – Motion carried.

Motion # 03-01-02 – Motion to accept revised Consent Agenda as presented. Motion made by Director Anderson, seconded by Director Vicknair. All Directors present voted in favor – Motion carried.

Old Business

Report on Possible SN Boxcar Trade

Director Vicknair presented photographs he took of the SN Boxcar, currently located at the Santa Maria Valley Railroad Museum (SMVRRM) and proposed for acquisition in trade for one of the Society's SP Beet Gons. Car interior is in very good condition and the exterior appears sound and underframe is straight. This car was originally SN 2129, the first of the steel underframe freight cars purchased by the SN. The SMVRRM would like to inspect

the Beet Gons prior to proceeding with the trade.

Motion # 03-01-03 – Motion to proceed with trade of one SP Beet Gon for SN Boxcar pending inspection and acceptance by the SMVRRM. Motion made by Director Vicknair, seconded by Director Anderson. All Directors present voted in favor – Motion carried.

Calendar Conflicts

Director Brehm reported that he had identified and corrected several errors in the FRRS Calendar. Additions included scheduled work weekends, Amateur Radio Field Day, Volunteer Appreciation Day (pending event authorization by the Board) and Truckee Railroad Days. Changes included location of the September Board of Director's Meeting, removal of scheduled Sunday Santa Trains, and the scheduled Santa Train for the weekend immediately following the Thanksgiving Holiday.

Motion #03-01-04 – Motion to accept amended calendar and authorizing printing of same. Motion made by Director Anderson, seconded by Director Vicknair. All Directors present voted in favor – Motion carried.

Quincy RR 3 Lease

President McClure reported he was able to make contact with Bob Gray/V&TRR regarding outstanding issues including the Quincy RR 3. He also reported that he has received a signed copy of the 80-tonner/Oroville Turntable trade contract. Mr. Gray is to contact President McClure regarding renegotiation of the contract, should he decide to pursue continued use of the locomotive. Mr. Gray reported to President McClure that he has given all of the receipts to Director Holmes, who advised this was not the case. Once these receipts have been tendered, the balance due to the V&TRR will be negotiated down to the lowest possible dollar amount.

Alan Turner, legal counsel, advised that any suggested resolution regarding negotiation of amounts due the V&TRR and recommended terms for lease come before the Board prior to any commitment regarding same.

Director Stiles advised that he has concerns regarding reports he has heard with respect to abusive use of the locomotive. He questioned if the Board should even consider a new lease. The Board agreed that President McClure should continue discussions with Mr. Gray and return with a report at the next meeting.

New Business

Purchase of Forklift

President McClure advised that he had been talking with Western Power Equipment, the Case dealer in Sparks, Nevada regarding the purchase of a used forklift. The original price of the equipment in question was \$5,000. The dealership, in light of the FRRS status as a not-for-profit organization, agreed to sell the forklift for their cost of \$3,600. The forklift has a newly rebuilt motor and has received other miscellaneous repairs. It is designed for rough terrain and has an 8,000 lb. capacity. It would likely cost nearly this much to rebuild our existing forklift, which has a much lower lifting capacity.

Motion # 03-01-05 – Motion to authorize purchase of the 1977 Liftall gas engine forklift with funding under budget line item 13680—Tools & Equipment. Motion made by Director Stiles, seconded by Director Vicknair. All Directors present voted in favor – Motion carried.

Strategic Planning

Director McClure reminded the Board that they had begun the process of strategic planning and long range goal setting last year. She asked for input from the Board regarding continued efforts to finish the process or if they would prefer that the process continue by committee with recommendations brought before the Board for discussion and/or action.

The Board consensus was that a committee be formed to take the information previously gathered, proceed with the strategic planning process, and bring a report with recommendations back to the Board.

Special Events

Director McClure advised the Board that she and Director Brehm, in response to issues mentioned in Board meetings and by members, had discussed several special events in addition to Railfan Photographer's Day. They stated they would like to pursue a motorcar event, possibly in conjunction with Amateur Radio Field Day, a Volunteer Appreciation Dinner, and a Membership dinner as part of the Annual Membership Meeting. They have forwarded a proposed budget for these items, but wanted input from the Board regarding support or objection to pursuit of these items.

The Board had no objections and instructed Directors Brehm and McClure to move forward with these events, with details provided to the Board as soon as possible.

Closed Session

The Board adjourned to closed session at 1:40 p.m. Present at the closed session were Directors Anderson, Brehm, Breitwieser, Holmes, McClure, Stiles and Vicknair, as well as Dan Brady, Treasurer and Alan Turner, Legal Counsel. Director Cochran participated by telephone.

Open session reconvened at 2:37 p.m. Mr. Turner advised there was discussion regarding personnel issues and was consensus direction regarding legal and business issues, however, no formal action was taken.

BREAK: 2:38 p.m. – 2:57 p.m.

Budget Review and Creation

Dan Brady, Treasurer, presented preliminary year-end financial reports. Overall, the Society did well for the year. Adjustments still need to be made, but we ended the year up approximately \$1,000 at this time. Mr. Brady also received input from the Board regarding the value of large, non-cash donations.

Motion # 03-01-06 – Motion to accept financial reports as presented. Motion forwarded by Director Anderson, seconded by Director Stiles. All Directors present voted in favor, with the exception of Director Vicknair who was not present for the vote – motion carried.

Discussion ensued regarding the 2003 Budget. Departments have provided their requests, and Mr. Brady will work up an overall budget for review, discussion and possible action at the next Board meeting. He also reminded the Board that they need to remain aware of the money coming in versus what is being spent.

Director Cochran left the meeting at 3:56 pm.

Good of the Order

President's Report

President McClure reported that our general and liability insurance cost for 2003 is \$20,840. The cost of insurance has risen considerably, but not nearly as much as other organizations in the same line of business. Visitor and volunteer safety remains a concern to keep future increases to a minimum.

He also reported that he, Directors Brehm, McClure and Vicknair, as well as member Eric Stephens will be present at Winterail to represent the FRRS.

The Historical Society Convention is scheduled for April 11-12, 2002. President McClure requested that all Board members attend to show their support for the Historical Society and their endeavors.

President McClure advised that he has not yet received the full report from Pat Brimmer regarding the Santa Train. Use of the baggage and lounge cars was a big hit, and we received positive press from the local paper.

The Feather River Short Line has approached President McClure and indicated they are willing to work with us regarding resolution of the ownership and liability issues regarding their caboose and pay car. There is also a possibility that should the No. 8 Steam Locomotive need a new home, they might be willing to consider the Museum. Dan Brady recommended that any agreements regarding liability on this equipment be used as a template for application to other privately owned equipment on the Museum property.

President McClure opened discussion regarding locomotive repair priorities. Director Stiles presented his Mechanical Department report as it tied in with this issue. He advised that the cost to purchase the materials to bypass the oil cooler for the Fairbanks-Morse 1857 would be approximately \$400. He would not recommend this course of action, however, it is a workable solution. The locomotive would only be available in the RAL program under a special request. Further discussion regarding locomotive repairs and priorities was tabled until a future meeting.

Director's Reports

No reports at this time.

Department Reports

Facility Report – Director Vicknair reported that President McClure and Director Habeck met with City of Portola Building Inspector Michael Yarmey. The only outstanding issues at this time are the Shower car and the deck. Director Vicknair will need to submit a report to Mr. Yarmey regarding a plan of action for the remaining corrections.

There have been some water line breaks due to freezing weather and repairs will be addressed in the near future. We have also had some serious leaks in the Diesel Shop, and he will be in contact with the contractor who put up the new roof last year as it is believed the work completed should still be under warranty.

He also advised that volunteers Aaron and Eric McClure were in the process of putting a composition rolled roof on the Camp Car.

Funding Report – Director McClure advised that money continues to trickle in from the second wave of the direct mail fundraiser. Exact numbers were not available at that time.

Committee Reports

Zephyr Project Report – Director Vicknair advised that he has created a Zephyr Project website which will include a link for secure donations to be given over the Internet. He also has created an on-line store as reported at the previous meeting that should provide additional revenue for the project.

Director Brehm reminded the Board that the driveway along the side of the Diesel Shop is a fire lane and to set a good example for the membership, they should park only in designated areas. He also advised that The Trainsheet should have been out in the mail and unfortunately, due to the quality of the photographs submitted, could not be printed in color.

Legal Counsel Report

No report at this time.

Status of Surplus Property Report

No report at this time.

Other

No other issues at this time.

Adjourn

Meeting adjourned at 4:16 p.m.

Next meeting: Saturday, February 1, 2003

Location: Stanford Gallery, California State Railroad Museum
Sacramento, CA

Respectively Submitted
Gail A. McClure

Motions and Actions Summary

Motions Passed

- Consent Motions – Motion 03-01-02

Minutes – Approval of the minutes of the regular meeting held November 2, 2002.

Financial Reports – Moved to Budget section of meeting under motion 03-01-01

- Motions

Motion 03-01-03.. SN Boxcar/SP Beet Gon Trade

Motion to proceed with trade of one SP Beet Gon for SN Boxcar pending inspection and acceptance by the SMVRRM. Motion made by Director Vicknair, seconded by Director Anderson. All Directors present voted in favor – Motion carried.

Motion 03-01-04.. Calendar Conflicts

Motion to accept amended calendar and authorizing printing of same. Motion made by Director Anderson, seconded by Director Vicknair. All Directors present voted in favor – Motion carried.

Motion 03-01-05.. Purchase of Forklift

Motion to authorize purchase of the 1977 Liftall gas engine forklift with funding under budget line item 13680—Tools & Equipment. Motion made by Director Stiles, seconded by Director Vicknair. All Directors present voted in favor – Motion carried.

Motion 03-01-06.. Financial Reports

Motion to accept financial reports as presented. Motion forwarded by Director Anderson, seconded by Director Stiles. All Directors present voted in favor, with the exception of Director Vicknair who was not present for the vote – motion carried.

Closed Session

Legal Counsel Turner reported there was discussion regarding personnel issues and was consensus direction regarding legal and business issues, however, no formal action was taken.

Items Postponed, Held Over or Continued

Quincy 3 Lease
Strategic Planning
Special Events Planning
Budget Approval

Next Board Meeting

February 1, 2003 1 PM

Stanford Gallery – California State Railroad Museum -- Sacramento, California

respectfully submitted by Eugene Vicknair, secretary

January 28, 2003