

Feather River Rail Society
Board of Directors Meeting
December 7, 2002

1 p.m.
Crew Lounge, Portola Railroad Museum
Portola, California

President Rod McClure called the meeting to order at 1:12 p.m. The following directors were present:

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

Director Steve Habeck arrived at 2:58 p.m. while the meeting was in progress.

Visitors present:

Don Borden Ed Wagner

Closed Session

President McClure reported the following in regard to closed session held 1:13-1:55 p.m.:

A personnel issue was referred to committee, no action taken.

A legal status update was provided regarding on-going legal issues.

Correspondence

No correspondence was presented.

Consent Agenda

1. Minutes - Approval of the minutes of the regular meeting held November 2, 2002.
2. Financial Reports.

Motion # 02-12-01 -- Approval of consent agenda reports as presented.
Forwarded by Director Anderson, seconded by Director Stiles. All Directors present voted in favor - Motion carried.

Old Business

Hap Manlit Materials

Director Cochran reported that he will take over completion of the project with work to resume in May 2003. He has been working with President McClure

on a plan of action. President McClure asked that any one willing to help be in contact with Director Cochran.

Lease of Quincy 3

President McClure advised that he has been unable to speak with Bob Gray/V&T Railroad regarding a new lease for use of the Quincy 3. He asked for direction from the Board regarding how he should proceed. Director Brehm reported, at the request of the President, he was in contact with Mr. Gray on one occasion wherein he reiterated what was presented in a letter to Mr. Gray by President McClure. The letter stated that per direction of the FRRS Board, Mr. Gray was requested to indicate his intention regarding further use of the locomotive, was directed to submit bills for work performed on the locomotive directly to President McClure, that any future negotiations were to be handled with him, and that a signed copy of the 80-tonner agreement be returned. Director Brehm stated that Mr. Gray did indicate an interest in pursuing this issue, however, there has been no additional contact from Mr. Gray.

Motion # 02-12-02 - Motion to table issue until next meeting. Forwarded by Director Cochran, seconded by Director Anderson. Directors Anderson, Breitwieser, Cochran and Holmes voted in favor. Directors Brehm, McClure, Stiles and Vicknair voted against. Motion failed.

Motion # 02-12-03 - Motion to direct President McClure to continue to attempt to reach Bob Gray/V&T Railroad and determine his intentions regarding the 44-tonner and 80-tonner contracts and table all other issues associated with respect to previous discussion until next meeting. Forwarded by Director Vicknair, seconded by Director McClure. All Directors present voted in favor - Motion carried.

PRM Security Issues

Director Anderson advised that he had spoken with Tom Rib/Sierra Pacific Power regarding lighting on PRM property. A diagram of the property has been provided which has been forwarded to their engineering department for review and they will provide recommendations regarding placement and cost.

Director Vicknair reported that the fencing installation cost estimates provided by local contractors are approximately 2-3 times what the fencing provider advised we should be paying. He will continue to pursue additional quotes and the work will not be done until sometime this spring.

He also reported that he and Director Cochran continue to work on a key policy and plan of action.

President McClure advised that there have been no further incidences of

vandalism that he has been made aware of. There have been two security lights installed on the office car and he will be looking to obtain more.

Update on Thomas the Tank Engine

Director McClure reported that based on the information obtained from HIT Entertainment, the owners of the Thomas the Tank Engine enterprise, the soonest we would likely be able to have an event would be 2004-2005, which would coincide with the start of the new Thomas the Tank Engine animated series season. They are working on trying to make these events more of a turnkey operation resulting in less of an administrative burden on organizations hosting them.

Based on conversations with other organizations, these events are very labor intensive, and there are a number of other issues which we would need to address prior to hosting one.

Old Town Portola Extension

President McClure presented a map showing a proposed extension of trackage from the PRM facility to the WP caboose in Old Town Portola. He has spoken with City Administrator, Jim Murphy who indicated that this is an issue that remains of interest to the City. There are several issues that will need to be addressed including ownership of the right of way and two public crossings. President McClure will continue to work on the possibilities presented in this regard.

New Business

Insurance Issues

President McClure advised that due to issues discussed at the TRAIN convention, cab rides have been stopped for the foreseeable future. It is rapidly becoming an industry standard due to liability issues and the impact they have on insurance premiums. There are very few insurance providers that will insure tourist railroad operations any longer, and the rules are becoming tighter to avoid liability issues that result in insurable losses. There will need to be some changes made to the RAL program to reduce our liability exposure, and is currently under investigation.

Point of Sale System

Tabled until a future meeting.

Electric Cars

Director Breitwieser advised that she had a gentleman who stayed at her facility representing a company promoting these electric carts as part of a zero emissions program. She mentioned that FRRS and its visitors might benefit from this type of equipment. We have since received three of them on loan free of charge for one year-two are currently on property. There are

certain restrictions and reporting requirements involved per the contract provided with the carts. President McClure advised that keeping one of them might be of benefit, but that there would need to be restrictions on use and users as the Society would be responsible for any and all damage to them. There is a possibility that we may be able to retain one as a donation at the end of the test period.

Under direction of the Board, President McClure will contact the provider of the vehicles and ask that one be returned to them and the FRRS will retain the other two for the remainder of the test period.

BREAK: 2:36-2:41 pm

Department Budgets

President McClure reported that he had received budget information from Directors Brehm, Breitwieser, Cochran, and Vicknair. He advised he was still waiting for information from Directors Habeck, McClure, and Stiles. Director Holmes advised that he would like to meet with President McClure prior to the next Board meeting to review the overall budget.

Good of the Order

President's Report

President McClure advised that the first Santa Train was a great success. Local publicity has been good.

He also reported that due to the generosity of Table Mountain Quarry and the Union Pacific Railroad, six carloads of ballast were donated and are in the process of being dumped around the balloon track. They also donated one carload of class II roadbase.

Milward Switch is currently out of service due to rotten ties and a broken rail on the inside balloon track.

Director's Reports

Director Breitwieser advised that the decorations for the Santa Trains were nicely done. She also advised that having the baggage and lounge cars inside the shop was a great idea. She would like to suggest that keeping the cars inside be considered to provide the opportunity to promote special events.

Director Vicknair reported that the WP Camp Car has arrived on property. The Tidewater Southern Crossbuck "rescue" went well and they are also on property. The network engineer he had scheduled to attend this meeting had to cancel due to last minute schedule changes, but Director Vicknair advised he will have additional information to report at coming meetings.

Director Anderson stated that the locomotive and rail at SPI in Quincy

remains in limbo.

Director Brehm indicated that there are conflicts in the annual FRRS calendar. At the direction of the Board, he will wait on layout of the calendar until the next meeting. He will present the conflicts at the next meeting for review by the Board.

Director Brehm also advised the Board that publication of the latest Train Sheet was delayed due to an error on his part and has been corrected.

BREAK: 3:00-3:05 pm

Department Reports

Facilities Report - Director Vicknair reported that the sewer project has been completed and inspected. The only outstanding code correction issues are the Shower Car and the deck. He will continue to be in contact with Michael Yarmey, City Building Inspector with regard to these issues. President McClure asked that anyone parking or walking out behind the area where construction has been ongoing be very careful as there are tripping hazards present.

Zephyr Project -- Director Vicknair advised that he has located a company that will be able to manufacture every window and gasket necessary for the Silver Hostel. He is still waiting on some additional information, but it would appear that the car will meet FRA standards for emergency egress. The current estimate is approximately \$65,000 for this phase of the project. He is cultivating a variety of possible fundraising ideas and large dollar donors to assist with this next step.

Funding Report - Director Vicknair reported that to date, the current direct mail fundraiser has provided approximately \$2,600 in additional donations. There are some corrections to be made to the printed materials which will be taken care of prior to the next wave being sent.

Committee Reports

No additional committee reports at this time.

Legal Counsel Report

No report at this time.

Status of Surplus Property Report

No report at this time.

Other

Don Borden asked about the status of the Yreka Western Locomotive as he had received some feedback from individuals involved with that organization.

President McClure and Director Habeck reported that the FRRS has met its obligations with respect to the locomotive and any further issues are between the Yreka Western and Doug Morgan. The management of the Yreka Western should be aware this is the case.

Adjourn

Meeting adjourned at 3:10 p.m.

Next meeting: Saturday, January 4, 2002

Location TBD

Portola, CA

Respectively Submitted

Gail A. McClure