

## Minutes of Past Meetings

He said that in the meantime, he would keep them at his residence until such time as this has been accomplished. He said this is the kind of organizational question the Board should pose to the President regarding his plans for record-keeping within the organization.

Director Brehm stated he is very uncomfortable with the records being kept at another private residence as the files are currently scattered as this has been an on going problem. Mr. Hall advised that he currently has all the records that were in the possession of past President Murphy. He stated he also has some of the records that were in the office car.

Rod McClure pointed out that a committee was appointed at the December meeting to assess what was in the files, sort through them and deliver a report. That committee had begun this process and were attempting to locate files that apparently were in Mr. Hall's possession. Gail McClure further advised that based on the preliminary assessment, it will likely take 600 or more man hours to set up a proper filing system.

Mr. McClure asked about the membership and their right to access the records. Mr. Hall stated that with reasonable notice, the records will be made available to any individual who requests them.

Director Cochran indicated that when he was appointed to revise the Bylaws in 1997-98, he requested copies of the originals and none could be located.

**LEGAL COUNSEL REPORT:** Alan Turner reported that the Chicago Court have allowed for the request for admission on the part of the FRRS's lawyer, meaning that there were a number of factual statements admitted by the court. There is no longer any argument that those facts as stated and it is likely that a request for summary judgment that is being pursued will likely be in our favor.

Mr. Turner advised that that there should be two standing reports on every agenda: Fundraising and status of surplus property.

**OTHER:** There was discussion regarding the RAL program. Keith Morrison advised there are four RALs currently scheduled in March. It was recommended that 921, 608, 2873 and 707 be prepared for service.

Director Holmes also advised that a tour group from the Bay Area Electric Railroad Association was scheduled in March 20th for a tour and train ride.

Mr. Morrison advised it would be helpful if he had a schedule of events, list of instructors and contact information for scheduling to avoid double booking appointments.

Ed Wagner advised he had a letter for presentation to the Board and due to the seriousness of the issue, he asked that the Board review it and advise if they would prefer he read it to the Board or if they would rather address it in closed session.

Upon review of the letter, Director Cochran asked that a committee be appointed to review this issue and report back in closed session. Alan Turner advised that in the absence of a policy, a committee be established to investigate, review and report back to the Board their findings.

Director Cochran advised he is not aware of a policy specifically regarding the issue at hand. President Anderson asked Mr. Turner if he should establish a committee. Mr. Turner advised that a disciplinary or Bylaw enforcement committee be appointed.

President Anderson asked Director Cochran if he would serve on the committee. He declined stating prior knowledge. President Anderson asked Director Breitwieser if she would serve. She stated she would. Director Brimmer was asked if he would serve. He declined. Director Stiles was asked if he would serve and he advised he would. Gary Hall was appointed as the final member of the committee. The question was raised by Director Brehm if Mr. Hall could serve as he was named in the document. Mr. Turner advised that as a staff member, Mr. Hall can serve as the committee is being asked for an investigation and

recommendation on the contents of the letter. Closed session is to be placed first on the agenda for the next meeting at 1 pm with general session to start at 1:30 pm.

Rod McClure asked for additional discussion regarding Winterail and the second scheduled work weekend. Director Stiles advised he had secured a table. At this time Director Breitwieser, Director Habeck, Director Stiles, and Rod and Gail McClure will be involved with manning the table.

Mr. McClure advised that the Tuesday prior to the meeting, he was present at a surprise visit from Union Pacific Vice-President Jeff Verhaal, Assistant Superintendent Bob Jones, Manager Train Operations-Portola Jim Ambrose and Manager Operating Practices-Roseville Dave Bowler. They spent an hour at the museum walking around the property with him and Director Habeck. VP Verhaal was very impressed with the restorations done on WP caboose 428, WP 707 and WP 2001. He said he felt UP 849 looked a little "shabby" and that if the Silver Palace was actually a UP caboose. He looked at the Wheel Garden outside the shop and asked if that was our scrap yard.

VP Verhaal stated several times that he gets over 200 requests per month for donations across his desk and advised that the UP has become very selective regarding who they donate equipment to as they have been embarrassed by many organizations they have given equipment to that has been left to rot or has not been restored. Restoration is a priority to the UP.

Mr. Verhaal said in front of all present that the Truckee trip done last year was done very professionally from an operations perspective and he received staff comments that everything went well and there should be no problem with doing a similar trip again this year. There is a good possibility that the Reno Branch excursion will happen once the branch has been cleared.

Mr. Verhaal also stated an interest in the Silver Hostel. He has utilized the Silver Lariat, sister car to the Hostel, and said he would much rather use the Hostel once complete. He also expressed that the UP 105 holds a special place for him.

Mr. McClure spoke to Mr. Verhaal regarding the WP Hospital Project and the Facilities Master plan. Mr. Verhaal expressed an interest and asked that information on both be forwarded to him and suggested the possibility of receipt of some funding from the UP Foundation for the Hospital Project.

Mr. McClure indicated that Mr. Verhaal had a close eye on the UP equipment on property. Mr. McClure stated he would like to see the Silver Palace repainted to UP yellow and believes he may be able to obtain the paint free of charge from Steve Lee in Cheyenne, WY.

Mr. Ambrose later relayed to Mr. McClure that Mr. Verhaal brought up the WP 428 later in the day, again saying how nice it looked.

Discussion ensued regarding the Funding Report and Fundraising Committee. It was agreed that Director Vicknair, Director Breitwieser, Jay Sarno, Gail McClure and Marta Egan had volunteer for that committee.

**CLOSED SESSION:** No closed session scheduled

**ADJOURN:**

Meeting adjourned at 4:00 p.m.

**April 6, 2002**

President Anderson called the meeting to order at 6:04 p.m. The following directors were present: Andy Anderson, Frank Brehm, Jan Breitwieser, Norm Holmes, Hank Stiles, Eugene Vicknair.

Directors Pat Brimmer, Kerry Cochran and Steve Habeck were unable to

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attend.

Visitors present: Gary Hall, Gail McClure, Rod McClure, Judy McGrath, Janis Peterson, Jay Sarno, Ed Wagner, John Walker, Marta Egan.

### CORRESPONDENCE:

President Anderson read a letter sent by Helen Kennedy thanking the FRRS for their \$100 contribution. They have not yet heard regarding their grant but are moving ahead with the planning for their brochure.

INVESTIGATION COMMITTEE REPORT (MOVED FROM CLOSED SESSION): Regarding member request for investigation of member misconduct. Director Breitwieser passed out a summary of the committee's findings. President Anderson asked if she would read the findings of the committee. The statement read as follows:

"The committee is unanimous (two out of three) in its opinion that this matter does not rise to the level of member misconduct, and as such, does not support termination of membership."

Director Brehm voiced his disappointment that the committee did not discuss this with the involved individuals. He said that the action in question was an example of subversiveness within the Society by certain members and that this type of behavior should not be tolerated.

Director Breitwieser stated this was not an attempt to undermine the Society in general. The member in question has contributed a large number of hours to be part of the organization and to throw them out because they decided between their own friendships they would call somebody a name was not something she could support.

President Anderson, in the absence of objection, accepted the committee report and the matter was put to rest.

Director Vicknair presented a copy of a write up complimentary of the FRRS and Portola Railroad Museum posted to Trainorders.com, the largest railfan and rail community website on the internet.

Director Vicknair also advised that a member had contacted him and said that he had been listening to the KGO evening show (#1 radio station in the Bay Area). During a prime-time call in show, a caller asked for information regarding railroad history. The DJ told the caller that he should check out the FRRS and the restorations being done at the Portola Railroad Museum.

### CONSENT AGENDA:

Minutes – Approval of the minutes of the Regular meeting held on March 2, 2002.

Motion to accept made by Director Stiles, seconded by Director Breitwieser. All present voted in favor. Motion carried.

Minutes – Approval of the corrected minutes of the Regular meeting held February 2, 2002.

Motion to accept made by Director Vicknair, seconded by Director Breitwieser. All present voted in favor. Motion carried.

Financial Reports – No financial report presented as bookkeeper was unable to compile due to it being tax season. Financial reports to be presented at the next meeting.

### OLD BUSINESS:

WORK WEEKEND/CODE CORRECTIONS REPORT: Director

Vicknair reviewed the report presented with the agenda. Much has been accomplished toward cleanup of the hospital property and code corrections. The City Council graciously waived permit fees. There was a May 31, 2002 deadline for completion of these issues, however President Anderson has been working with the appropriate representatives on a possible extension of the deadline. The biggest issue facing the FRRS is the sewer connection: Specifically, the need to locate the sewer tie in and receive permission from the Union Pacific to dig on the property. There is currently a resident on the property who cannot be left without services while work is in progress. A revised master list of code violations/corrections, including new issues not previously identified, was provided to the Board.

Director Vicknair requested a budget, limited to \$3,000, to be authorized by the Board to complete corrections.

Gary Hall advised that both the Code Corrections Hospital Projects should have budget authority. He will work with the bookkeeper to assign RC codes and will be in contact with the Project Managers regarding same.

Motion 02-04-04

Authorization of Budget Allowance of \$3,000 toward the Code Violation/Corrections Project. Made by Director Stiles, seconded by Director Brehm. All directors present voted in favor. Motion carried.

RESUBMISSION OF A&D COMMITTEE LOCOMOTIVE DEACQUISITION REPORT: Rod McClure contacted the members of the A&D committee regarding recommended locomotive deacquisitions. The following are the recommendations of that committee: MILW U25B, 80 Tonner, MRS Units (privately owned), Napa Valley 51, Simplot 4004, SP 1215, Kennecott Electric #3, Kennecott 908, UP 4-4-0.

Mr. McClure noted that in his opinion, the UP 4-4-0 needs further discussion on the part of the committee.

Mr. McClure requested support from the board to dispose of these locomotives. President Anderson asked how these locomotives would be disposed of. Mr. McClure said that there are leads on new homes for 90% of these locomotives.

Motion 02-04-05

Acceptance of A&D Committee Report and authorization to pursue trade or sale of recommended locomotives. Motion made by Director Brehm, seconded by Director Vicknair. All directors present voted in favor. Motion carried.

Mr. Hall indicated that it would be an appropriate role for the Curator to assist in this arena and document that the process is being done correctly. President Anderson said that he would agree the Curator should be a part of this process, however, the A&D Committee should be the body directing the process.

Director Stiles asked if this motion grants the A&D Committee the authority to actually dispose of the locomotives. It was the consensus of the Board that it only gives the A&D Committee the authority to negotiate. All pending contracts would require Board approval. Mr. Hall asked that the Curator be kept in the loop.

TRADE OF 80 TON LOCOMOTIVE FOR THE OROVILLE TURNTABLE: Director Holmes advised he has been in contact with Bob Gray/V&T and they are agreeable to the trade, however, Director Holmes would not recommend that the FRRS acquire the turntable. President Anderson reminded the Board that the mission of the Society is to preserve WP history.

Motion 02-04-06

Consideration of Trade of 80 ton Locomotive for the Oroville

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Turntable. Motion made by Director Brehm, seconded by Director Vicknair. All directors present voted in favor, with the exception of Director Holmes who voted against. Motion carried.

Gary Hall asked if there was anything in writing that the V&T will give the FRRS the turntable in exchange for the locomotive and what the liability would be if the V&T put their resources into the locomotive only to discover that the engine is non-operable. President Anderson read a letter written by Rod McClure indicating that per Tom Gray/V&T, as expressed to him and Director Habeck, they were interested in acquiring this locomotive in exchange for the turntable. Mr. McClure proposed that the FRRS would trade the 80 ton locomotive as is, where is for the turntable currently located in Virginia City, NV. The FRRS would be responsible for cost of transportation of the turntable to Portola within a timeframe agreeable to both parties. The transportation and repair costs of the locomotive would be the sole responsibility of the V&T Railroad.

**BUDGET REQUEST FOR FUNDRAISING PROJECTS:** This agenda item was tabled pending further discussion

**FUNDRAISING POLICY:** This agenda item was tabled pending further discussion. Mr. Hall will present Director Vicknair's proposed policy to legal counsel for review.

### NEW BUSINESS:

**ANNUAL MEMBERSHIP MEETING:** Director Vicknair reminded the Board that the Annual Membership Meeting is scheduled for June 1, 2002 and there has been talk in the past of making it a special event for the members. President Anderson asked Director Breitwieser, Director Holmes and Marta Egan, in her capacity as President's Representative to work together on plans for this event.

**SP SULZER LOCOMOTIVES:** Director Holmes advised that he had received a call from a friend of the gentleman who owns the last two of the original four SP Sulzer re-engined locomotives and may be interested in donating them to the FRRS. President Anderson asked that the A&D committee take the issue under consideration.

**EMERGENCY PLANNING:** Director Holmes reported that a gentleman in Phoenix, AZ who works for the American Red Cross noticed in the minutes that the Board had discussed an emergency response plan and volunteered to assist with this endeavor. He also forwarded a package of information to Director Holmes regarding different issues that such a plan should include. Marta Egan advised she has a draft plan she has presented to Gary Hall and asked Director Holmes provide the information he has to her for consideration. It was agreed Ms. Egan, Mr. Hall and Director Holmes will work together on the plan.

**SECTION 8 HOUSING ASSISTANCE:** Director Vicknair advised that he had reviewed the file containing the signed contract discussing Ken Roller's Section 8 assistance. The rent reported to HUD is \$250 per month, they calculate their portion of assistance based on a percentage of that amount, and under law, the renter is to pay the rest. Mr. Roller's portion of the rent had not been paid regularly and his contract also terminated rent as of September or October 1998. Marta Egan confirmed we are currently receiving Section 8 payments.

Director Vicknair reported had presented a hypothetical representation of the situation to a Section 8 employee and they indicated this could be considered fraud. He also spoke with Dan Brady who informed Director Vicknair that he was not aware of any payments made by Mr. Roller, but that in his experience with Section 8 it was not something they were likely to aggressively pursue the FRRS on.

Ms. Egan advised that we should seek the input of legal counsel to see if there was a way to charge Mr. Roller's portion of the rent as payment for his work around the Museum. Several members of the Board questioned what work Mr. Roller performs. Mr. Hall asked that a copy of the contract be given to him to give to Alan Turner. Ms. Egan stated that Mr. Roller is not even aware he has signed a contract.

President Anderson recommended that if the Board was in accord, he would ask that Ms. Egan meet him in Quincy and he would introduce her to the housing authority. He also advised there will be a report at the next meeting.

**SALTAIR 44 TONNER:** Rod McClure reported that while it was not on any of the A&D Committee lists, it was his understanding that this locomotive was acquired for parts only and that there is an offer from a historical group in Pueblo, CO interested in purchasing the locomotive for that purpose. He asked that the Board direct him to either review/accept the contract from this group should it exist or within 90 days remove required parts with the remains to be scrapped/removed.

Director Holmes indicated it would be easier to maintain this locomotive as a parts source "on the hoof" as opposed to parting it out.

Gary Hall advised that as Mr. Graham was the Project Manager on this project, his input should be solicited. Director Stiles stated that Mr. Graham told him he is no longer interested in being the Project Manager and this was confirmed by President Anderson.

### Motion 02-04-07

Proposal for a 90 day timeframe to resolve disposition of the Saltair 44 Tonner. Motion made by Director Brehm, seconded by Director Stiles. All Directors present voted in favor, with the exception of Director Holmes who voted against. Motion carried.

**AGENDA PROCESS POLICY:** Director Vicknair discussed his proposed agenda policy as reviewed by the Policies and Procedures Manager and provided to the Board members prior to the meeting. Item will be presented for discussion/action at the next Board meeting.

**POSSIBLE BY-LAW CONFLICTS:** Director Vicknair asked Gary Hall if he was proposing or had removed any of the files from the property. He advised he had not, however based on the condition of the files in the office car (in desk drawers, in boxes on the floor and in a file cabinet which had the lock drilled out to access it), he announced that he would be the repository of documents until it was determined where they should be kept.

Director Vicknair advised that it is clear in the By-Laws all business records are to be kept at the principal office in Plumas County and that the Secretary was responsible for same. He requested Mr. Hall and Marta Egan if they would be willing to assist him with the process of gathering/organizing the Society's records and they advised they would. Rod McClure volunteered to make certain that any changes/security issues that need to be addressed with respect to the office car were handled.

**APPOINTMENT OF DEPARTMENT HEADS/COMMITTEE CHAIRS:** President Anderson advised he would like Board approval for the appointment of Director Breitwieser to manage the Gift Shop and Beanery, Director Stiles to Chief Mechanical Officer/Restorations, Director Vicknair to Facilities Management.

### Motion 02-04-09

Support of Appointments of Director Breitwieser to management of the Gift Shop and Beanery, Director Stiles to Chief Mechanical Officer/Restorations, and Director Vicknair to Facilities Management.

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Motion made by Director Brehm, seconded by Director Vicknair. All Directors present voted in favor. Motion carried.

### GOOD OF THE ORDER:

**PRESIDENT'S REPORT:** President Anderson advised there had been discussions regarding the code violations/corrections going on at the Museum. He wanted it clear that the FRRS is not exempt from City regulations and that we are being watched closely by the City authorities. He is concerned about the costs involved with the sewer hook up as even the City is not aware of where the lines are. He has worked hard building a good relationship with them and we need to make certain it continues.

Director Brehm thanked President Anderson for his hard work and advised that it is important that we keep moving toward correction of the violations as quickly as we can and to the satisfaction of the city in the best interests of all involved.

**DIRECTOR'S REPORTS:** Director Vicknair has had conversations with a gentleman who may be able to obtain window frames, side skirts and other parts for the Silver Hostel. He also advised that with the assistance of Gail McClure and the agreement of President Anderson and Marta Egan, he has submitted a dollar-for-dollar match grant proposal from the National Endowment for the Arts in the amount of \$75,000.

Director Stiles reported he has been working on locomotives in preparation for rentals and operating season.

Director Breitweiser advised she is working on stocking up the gift shop. She thanked Director Holmes and his wife, Barbara for their assistance with completion of the inventory. She also thanked Rod and Gail McClure, Director Habeck and Director Vicknair for their assistance with the booth at Winterail on short notice. She said that she would be working with John Walker and Director Vicknair on merging the Gift Shop and Beanery together addressing staffing and space issues. She, Director Holmes and Ms. Egan will staff a booth at the WPRRHS convention. She hopes to have the gift shop open in May on a full-time basis.

Director Holmes presented copies of California Tour and Travel containing a Museum ad as well as copies of The Non-Profit Board Report for any interested individuals.

Mr. McClure advised the Board that he and Director Habeck have written an article for the August issue of Trains Magazine regarding the Truckee Trip last year. Director Holmes informed the Board that Railfan Magazine will have an article regarding the RAL program in the coming months.

Director Brehm reported that The Train Sheet was mailed Wednesday April 3, and beginning June 1st, the Postal Service may be raising mailing rate. He cautioned that he may exceed his budget with respect to mailing costs.

**DEPARTMENT REPORTS:** Rod McClure, Roadmaster, advised that the first trackwork weekend of the season will be 04/27-28/02. His goal is to replace the remaining bad ties and joint bars to complete the work on the balloon track. He hopes to have 3-4 carloads of ballast by the second week of May for the balloon track as well.

President Anderson welcomed John Walker back and Mr. Walker advised that he appreciated everyone's patience in his prolonged absence.

President Anderson also thanked Jay Sarno for a presentation he provided to the Board earlier in the day.

Marta Egan reported that she has been working with Gary Hall regarding a purchase order process that should be ready for May. They have also been working on a position description template and crisis

management plan. She went on to advise that she is very happy to be in Portola and working with the Board and volunteers.

**LEGAL COUNSEL REPORT:** No report given as legal counsel was not present at this meeting.

**WINTERAIL REPORT:** Gail McClure stated that not having been involved with the process before, she was amazed at how many FRRS members were there from all over the country. She also stated that it was great being able to talk with people and inform them of some of the progress at the Museum. She advised that we did well with sales, particularly in light of the last minute coordination efforts and limited stock available.

**ELECTION COMMITTEE:** Gary Hall advised that under New Business, Appointment of Department Heads/Committee Chairs, he had missed his opportunity to provide a report as Administrative Manager regarding the Election Committee. He stated that the Chairman and most of the committee had withdrawn.

After a period of discussion, President Anderson asked Director Breitwieser to coordinate the elections process with the assistance of John Walker, Director Stiles, Marta Egan, himself and any others willing to volunteer.

**FUNDRAISING REPORT:** Tabled until next meeting

**STATUS OF SURPLUS PROPERTY REPORT:** Director Vicknair advised that legal counsel recommended the Fundraising and Surplus Property Reports be included on the agenda for every meeting. The A&D Committee Report presented earlier in the meeting covered this item.

### CLOSED SESSION:

Investigation Committee Report presented in Open Session at the beginning of the meeting.

### OTHER:

Judy McGrath asked what became of Irene Hardesty, who had presented a proposal regarding operation of the Beanery. Director Vicknair advised this issue is still under investigation. Ms. McGrath asked what the status was on the tamper. Director Stiles stated that the Yreka Western does not have the money to transport it, they are trying to find alternative to getting it to Portola, and the Society does not have the resources to get it moved here either. Ms. McGrath also requested an update on Magnolia Tower. Director Vicknair said in his last communication with Vic Neves, he and Director Brehm were working on getting a remediation contractor in to assess asbestos issues. Ms. McGrath questioned if the Union Pacific had been contacted regarding changes to the property as a result of the Master Plan. Director Vicknair advised he was working with the FRRS/UP Liaison to have them review the Master Plan.

### ADJOURN:

Meeting adjourned at 7:40 p.m.

Respectively Submitted  
Gail A. McClure