

August 2013 Board Meeting Motions and Actions Summary

Election of Officers

President

Nominees: Rick Gruninger (Monger / Elems) – declined nomination, Rod McClure (Habeck / Elems) – accepted nomination.

Vote: McClure. Aye – 7, Nay – 1, Abstain – 0

McClure elected President

Vice-President

Nominees: Steve Habeck (Carter / Baer) – accepted nomination, Kirk Baer (Monger / Elems) – declined nomination, Greg Elems (G. McClure / Monger) – accepted nomination.

Vote: Habeck – 5 / Elems – 2 / Abstain – 1.

Habeck elected Vice-President.

Secretary

Nominees: Eugene Vicknair (G. McClure / Habeck) – accepted nomination.

Vote: Vicknair Aye – 7, Nay – 0, Abstain – 1.

Vicknair elected Secretary.

Treasurer position tabled to September meeting

Appointment of Committee and Department Heads

Only changes at this time:

- CMO position is now vacant
- Spt. of Operations is now vacant

Correspondence

Habeck – Letter from Cascade Rail Foundation, Paul Krueger. Writing to request formal transfer of \$500 grant from Milw. Historical Society from FRRS to CRF as per sales agreement. \$412 in restricted 5057 fund to be used for expenses incurred in prep for movement.

Vicknair – G. McClure, Vicknair and Carter received email from railroad museum in Yucatan, Mexico. They have DRGW Silver Glacier sleeper, former 10/6 sleeper. They are offering it to the FRRS, terms unknown. Consensus to get more information.

Carter – Received email from people who want to shoot a movie.

Consent Calendar

Tabled.

Old Business

Sale of SP SD9 4404

Approve change in contract to sell SP SD9 4404 for \$40,000.

- Written report provided concerning extension of storage time.
- Western Rail asked for 18 months storage vs. 12 months in current version.
- Two changes noted and made.

Motion 13-08-01

Motion to change to 18 months storage and change escrow wording as noted.

Vicknair / G. McClure. Aye – 8, Nay – 0, Abstain – 0. Motion carries.

On-Line Fundraising

Review expansion of fundraising proposal presented at July meeting.

- Written report provided outlining proposals for campaigns on Rally.org and Kickstarter.com.
- Questions about costs and premiums for donors.
- Discussion about 921 repair needs.

Motion 13-08-02

Motion to accept report with noted correction of 917 changed to 921. Accept other recommendations in the report with approval to specifically pursue Option 2 WP 501 under Program 2 Kickstarter, G. McClure / Carter. Aye – 8, Nay – 0, Abstain – 0. Motion carries.

Offer to Purchase Lounge Car

Revised report on offer to purchase Lounge Car FRRX 754.

- Written report and sample contract / listing agreement provided.
- Sterling Rail offering either listing agreement with net on sale to FRRS being \$47,700 or direct sale to Sterling Rail, with net to FRRS being \$40,000.
- Change contact to Rod McClure, not Steve Habeck.
- Concerns about some wording in the direct sales contract, specifically governing law is in

- Texas.
- Discussion about costs to move, cost for interchange work.
- Car needs COTS, possible brake work.
- Discussion about risk in cost to prep for interchange.
- Board prefers to use our standard sales contract for any sale, will be provided to buyer and / or Sterling.
- Make sure to place 12 month storage and 1 month non-refundable payment into contract.

Motion 13-08-03

Motion to approve signing of Sterling Rail listing agreement (option 1 in report) as presented, with the substitution in line Item 10 (Purchase and Sale Agreement) of listing agreement replacing FRRS standard sale contract in place of Sterling Rail sales contract, and allow Sterling Rail to return proposed purchase agreement for the lounge car FRRX 754 to the FRRS board for consideration.

(G. McClure / Elems) Aye – 7, Nay – 0, Abstain – 1.
Motion carries.

Sale of Fourth Street House

Approve sale of the donated house on Fourth Street for \$19,000.

- Sole offer received is for purchase as is privately for \$19,000.
- Buyer to cover all fees beyond drafting of agreements.

Motion 13-08-04

Motion to approve sale of 356 Fourth Street house with all closing fees covered by buyer.

Vicknair / G. McClure. Aye – 7, Nay – 1, Abstain – 0.
Motion carries.

New Business**Donation of WP Alco S1 505**

Review offer to donate WP Alco S1 switcher 505 to the FRRS.

- Written report provided outlining evolving offer to donate ST&E / WP S1 505.
- Mechanically engine is reported to be in good condition and has been well cared for.
- Questions about ownership and what would be donated. San Francisco Bay Railroad currently owns locomotive, reportedly wants to donate whole engine, except trucks, plus spare parts and old set of trucks from one of their locomotives.

- Need written listings of parts, where to be stored, storage fees, movement plan and costs for movement.
- Discussion that we already have WP 504, WP 506 and ex-Army 512. Questions about their condition and repairs needed. 504 sounds like it has bad bearing. 512 has numerous problems. 506 appears to have good trucks and motors, but remainder of locomotive is very poor.
- Request for written donation agreement on 505 and parts, storage agreement and work agreement with SF Bay. We will not pay for truck swap.
- Ops department people expressed desire for the engine, stating that the condition and type of the engine (Alco S1) would be beneficial to our operations.
- Consensus for Tom Carter to proceed with investigation and putting together written items and plans as per the guidelines in the prior discussion and come back to the Board for approvals.

Scrapping of Alco S1 506

Approve adding former ST&E / WP Alco 506 to the current scrap list.

- Written report provided outlining condition of WP 506.
- Collection Committee recommends WP 506 be considered by appropriate for deacquisition / surplus due to its condition. Numerous parts are missing, including crankshaft, other prime mover parts, control stand, brake equipment.
- WP 506 body condition is so bad that even cosmetic restoration is a long shot. Major rust damage.
- Not tied to the previous 505 consideration.

Motion 13-08-05

Motion to accept the recommendation of the Collection Committee to change status of WP / ST&E 506 to surplus / deacquire and proceed with scrapping the engine, excepting specific parts to be used in support of other equipment in the collection. G. McClure / Habeck. Aye – 6, Nay – 1, Abstain – 1.
Motion carries.

Fundraising

Approve expenditure for production of year-end fundraiser.

- Written report provided outlining costs.
- Current Fundraising budget has about

\$27800 in it.

- Expected cost is not to exceed \$3000 for printing.
- Consensus direction for Gail McClure to proceed as per report.

Advertising

Preliminary report on advertising proposal.

- Written report provided.
- Informational for Board. More information for next meeting.
- Visitorship and RALs are down this year. We need to pursue more promotion and advertising.

Expense Reimbursement

Request for reimbursement for work expenses by Steve Habeck.

Written report provided outlining work and costs.

- Written report provided outlining work and costs.
- \$2150 for work on UP business car 105 and CZ diner Silver Plate.
- Would be under line item 56400 – Restoration.
- Suggestion that we avoid post project expenditure approval.
- UP 105 is now a secured exhibit that public can tour through.

Motion 13-08-06

Motion to approve reimbursement of \$2148.91 with expenditure of \$199 from line item 56400 – Restoration and \$158.91 to 56490 – Zephyr Project for reimbursement of out of pocket expenses for work on UP 105 and CZ Silver Plate.

G. McClure / Carter. Aye – 7, Nay – 0, Abstain – 1.
Motion carries.

- Habeck purchased several railroad electrical meters for \$161.20. Submitted reimburse from line item 51060 – Operations.

Good of the Order

President's Report

- Written report provided.
- Scrapping begins on Monday, August 19th. Should be done by the end of the week. Still some items to be done before they arrive but should not be a problem. Dave Roth will be overseeing the operation. I have identified quite a bit of scrap around the property that will be added. Scrap list: SP 4450, Amtrak

662, Alaska power car, WP 506, contents of scrap gondola, misc. scrap iron and steel. Some parts excepted, such as trucks, specific parts.

- Dave McClain and Dwight Whetstone are making progress in repairing rings in the 501. We should have this back for limited operation before the end of the year.
- Seth Adams resolved the electrical gremlins in the WP 1503, and now with the help of David Elems, we are removing the one bad radiator core for repair. Once this is finished and the grill over the radiators is repaired, then we can look at painting.
- Our number of volunteers in all areas except 165 program are still low.

Director's Reports

- G. McClure – written report provided. Concerns regarding certain safety issues and a lack of respect for some of our younger members who have been attempting to resolve or bring attention to them. Two issues need to be addressed here: 1) Youth does not mean ignorance and to treat one as the other is insulting at least, dangerous at best; 2) Safety First, not Safety at your convenience.
- Habeck – written report provided. Back in May, President McClure told me to go ahead and work on making the business car, UP 105, more suitable for visitors to go. This is in line with our attempts to address a major visitor complaint that all of our passenger cars were always locked up. The 105 is now open for visitors as a self-guided tour. I have also installed the large dining room shadow box from the Disney collection in the Plate. Beyond this work, we are preparing for RR Days and the scrapping and trying to keep the fleet running.

Financial Reports

- Financial Reports provided

Event Reports

- Railroad Days – coming up next weekend. Lots of switching and prep work has been occurring. Need volunteers. There will be a catered dinner and live music for volunteers. Free admission, live music, train rides, pre-

release book signing and model railroads for visitors. There was not much mention of us in the official RR Days materials. All local papers will get a poster we provided and will be published on Wednesday. Event will be competing with Plumas County Fair and Graeagle Street Fair. Rod and Gail McClure will be meeting soon with new city manager and he will be visiting a future Board meeting.

The Board heard a report on a Business Item – Excursion Train. Consensus direction given, no action taken.

Addition of Item of Urgency

Motion 13-08-07

Add an Item of Urgency – Official decision on excursion / business relationship proposed at July Meeting by Chris Skow / Trains and Travel. Vicknair / Carter. Aye – 8, Nay – 0, Abstain – 0. Motion carries.

Consensus direction: The FRRS will not enter into the business relationship proposed at the July meeting for the 2014 excursion.

**September 2013 Board Meeting
Motions and Actions Summary**

Correspondence

Habeck – Received a message from Wisconsin fan that we are going out of business and scrapping collection.

Elms – Heard on-line rumors from people that SP SD9 4450 was in running pristine condition when scrapped. This is completely untrue.

Consent Calendar

Minutes of the July and August 2013 BOD Meetings.

Two corrections to July minutes. Corrected spelling of “Elms” under Minutes motion and Matt Elms is managing iVolunteer software.

Correction - Date under notices corrected to 1983.

Correction - Harold Meeker name inserted into Director Report for Monger.

Motion 13-09-01

Accept the minutes as corrected for the July and August 2013 Meetings.

Habeck / G. McClure. Aye - 9, Nay - 0, Abstain - 0. Motion carries.

Old Business

none

New Business

Changes to Election Procedures

Suggested changes to FRRS Board Election procedures.

- Written report / recommendations provided.
- Recommendation would allow “white ballot” (no mail out ballot if number of candidates equals number of open seats and no other election items requiring vote).

Department Reports

- Museum Store – written report provided. We continue to review and refine the merchandise carried in the store. We continue to see low visitor numbers, although the spending per visitor/visitor group is up considerably (on average). It has become painfully obvious that we need to get the word out in the form of advertising. We need to actively pursue a new telephone system.

Committee Reports

none

Legal / Insurance Report

none

Status of Surplus Property Report

none

Safety Report

- Eyewash station is now up to date.

Public Comments

- Debra Baer – Has been trying to find people to help plan season opening / RailFest for 2014. Has gotten some interest. To put together an item for the Train Sheet on this event.

Notices

- Steve Habeck read a letter from 1983 that he found in the UP 105.

Closed Session – requested by President McClure and Director Vicknair – 6:51 PM – 7:11 PM

- Legal Item – Worthen v. FRRS
- Business Item – Excursion Train

The Board heard a report on a Legal Item – Worthen vs. FRRS. No action taken.