

**DRAFT MINUTES OF FRIENDS OF THE CUMBRES & TOLTEC SCENIC RAILROAD BOARD OF DIRECTORS
MEETING-MARCH 17TH, 2018. WYNDHAM HOTEL AND CONFERENCE CENTER, 2500 CARLISLE BLVD.
NE. ALBUQUERQUE, NM**

ATTENDANCE: All members were present. Guests present were: Phil MacDonald, Leon Beier and Becky Beier

- 1. Call to order:** Chairman Bob Ross called the meeting to order at 8:30AM MSDT.
- 2. Approval of minutes:**

Minutes of the October BOD + Nov. Dec., Jan., and Feb., Executive Committee minutes were approved with 2 errors noted on the Feb. 15th, 2018 minutes: NM appropriation requests should read "\$975,000 for capital improvements reduced to \$750,00 by the legislature..." and not \$600,000. "The 2018 season will have **149** operating days..." and not 1409 operating days!
M/Approve, Beaudette/Pyzel(U).

3. Chairman and Presidents Report: Ross and Tennant

We are off to a good start financially and with numbers of projects and team leaders. Some highlights:

- The State of New Mexico granted \$750,00 for rebuilding locomotives and track work. There are favorable prospects from The State of Colorado, but nothing firm is known at this time.
- We are at about the halfway point on reservations for the 315 Photo Freight Charter scheduled for June 2nd and 3rd. We will review mid-April to see if we have an additional 18 or so passengers to make this a break even. The Fall Color Photo charter featuring a renumbered 463 and locomotive 315 will take place September 29th (single day train) is already at 34% of capacity. The two-day event on September 30th and 31st is currently filled to 56% of capacity.
- Our annual dinner/meeting will be on Friday evening June 22nd and we'll ride from Chama to Cumbres and return. Stephen Flowers will cater the event in the pavilion at Cumbres. Many thanks to John Bush and Ed Beaudette for working with us to provide this special train.
- Special thanks to John and Sandra Engs and the crew that staffed the Rocky Mountain train show in Denver on March 3rd and 4th. Judy and Tim Tennant were there also and there were good crowds. An example is the good conversation with a young couple with two young sons who want to join the Friends. This is a prime example of the people we need to attract as new members.
- The summer board meeting will be Saturday June 23rd in Chama at 8:30 AM, location yet to be determined. The fall board meeting will be October 19th at Table Mountain Inn located at Golden Colorado, with the banquet that evening. There is the possibility of a group ride on the George Town Loop Saturday October 20th.
- Don't forget the Moonlight & Wine tasting train Friday July 27th departing Chama depot at 5PM. Some reservations are already coming in. Our Founder, Bill Lock, has made arrangements with the Ponderosa Winery as our featured New Mexico Winery on the train

this year. *(we all had a terrific time last year; the camaraderie and fellowship are not to be missed! -ed.)*

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- President & CEO Tim Tennant closed his report with the following remarks. “This is a milestone year as we celebrate our 30th anniversary. Much hard work, perseverance and dedication over many ups and downs have made us the successful organization that we are. We and you should be proud of the many accomplishments we have seen and achieved over the years. The support and commitment of the Board over my 14 years tenure is greatly appreciated”.
- Chairman Ross mentioned that the C&TS RR is sponsoring the Heritage Alliance annual national convention on November 9th thru 12th 2018. (This is a national gathering of Tourist and Museum railroad preservation groups throughout the country). Bob and Tim will be presenting a seminar on preservation on behalf of the Friends.

Charter Train Summary Report- Chairman Ross and President Tennant

- Overall the charters brought in \$54,885 profit to revenue. The average was \$6,095 per charter.
- There followed a discussion led by Chairman Ross: The Historic Charters bring in people who would not be ordinarily attracted because they want to see and experience the rare equipment. We also run some Private Car charters. There is some concern that charters put a lot of money at risk and have a relatively low yield. It is also demanding on our staff. The summary of the discussion was that there is value long term as long as they don't stress the staff too much, and not run if we see there will be no profit. The key is to make enough money to justify the effort without causing too much stress on the staff. They do reach people we would not otherwise likely see.

Membership report- Don Stewart, Chair

- We saw an uptick in membership in November. We are currently at 2,343 members. December was our high point. We are 6 members above where we were a year ago, i.e. we are at a steady state in terms of maintaining our numbers.
- We received 81 new members from our recent 'TRAINS' ad and have gained 232 new members since the program with them began. **M/S Pyzel/Lock to accept report (U)**.

Finance Committee Report- President Tennant/ Acting Treasurer Lock:

- We reviewed copies of the unaudited report.
- For the past few years the Friends financial performance has been very sound as an organization

- December is always a really big month; (\$166,806 in revenue, \$79,701 net profit). We were \$410,000 to the good at year end versus \$339,604 at the beginning of 2017.

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- The PNGPF has proven to be an effective fund-raising tool: Note that ending SORFA balance levels have risen from \$274,269 in 2015 to \$410,775 on December 31st, 2017. People are responding. Caroline Tower's emphasis on authoring and mailing two "ask" letters during the year has worked very well. The end result of these efforts is that as an organization we have had very adequate levels of restricted funds for ongoing projects.
- For the period ending February 28th, 2018, we are off to a good start for fiscal year 2018. Revenue has been strong with \$124,444 coming in during the first two months of the year, with a profit of \$61,657 for the period. SORFA net assets stand at \$413,827 having grown since the end of last year
- Detailed cash balances show \$73,407 unrestricted/\$413,827 temporarily restricted and permanently restricted at \$89,149.
- This is the best year as we've ever begun. **M/S Stewart/Lock, to accept. (U)**

Q. Re: Website: It needs some updating. There is a lot of old information on it that is out of date. Robin Marshment-Henry, our librarian has agreed to take on this task.

Development Committee Report- Caroline Tower, Chair:

- PNGPF has taken in \$1,012,803 since it's inception to 12/31/17! This is a real milestone. We've received \$167,344 last fiscal year alone.
- 2018- we are starting a new category 'Capital Funds'. This will be for such items as: completing the storage building in Chama, the Car Repair Facility in Antonito and better sanitary facilities for same.
- Most foundations have changed their emphasis to finding specific capital projects and youth participation. An example is school funding to reduce participation costs for certain projects.
- Over time we have raised \$4,000,000 in all fund-raising activities during the past 10 years. This is a real achievement. **M/S Lock/Pyzel (U).**

Interpretation Committee and Docent report- Dave Ferro, Chair: Bob Ross, Chairman

- Dave Ferro explained the new On-Cell System for communication with on board passengers. It is based on personal communication devices. It works by pointing it at a particular object as the train passes by and through GPS communication it explains the object via video and text. It is still in the 'try-out' stage and will be rolled out this summer.

- Bob Ross said that we have had very positive results from the surveys on the docents, rating them at close to 5 on a 1 to 5 scale, with 5 being excellent. There were requests for more docents and sound “piped through the cars”; (although some said they didn’t want to hear it). Bob explained that the ‘on-cell system ‘enables those with ‘smart phones’ to get information on demand. Durango and Silverton RR is already using this system. It works through an app on the cell phone. **M/S Hanson/Stewart to accept. (U).**

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Collections Committee report: Dan Pyzel, Chair:

- WE are now able to use more parts from worn-out cars.
- The Railroad Commission was able to obtain baggage car #162, from Don Shank to use in the Historic Car Fleet. This will enable us to re-create a true ‘San Juan’ Express Passenger train. **M/S Hanson/Lock to approve (U).**

Projects Committee Report, John Engs, Chair:

- It is important to keep in mind that the Project Schedule is a living document and it does change based on local needs, time and resources available. Sometimes it is necessary to cancel a project if no team leader can be found. Team leaders need to be firmly identified at least two months ahead of the scheduled project. Also keep in mind that some projects don’t self-identify, such as “Lava Pump House”.
- We recognized former Board Member Phil MacDonald for his yeoman’s work in creating ‘FIDO’. He has spent 3500 hours creating and shepherding this excellent planning tool; without which we would not be able to order supplies and materials delivered on a timely basis. He is ‘retiring’ from this effort to devote more of his time to travel and family. Many thanks Phil. We cannot thank you enough!
- Colorado Springs Work Site is working very quickly to bring the ‘tourist sleeper’ to completion. The interior is nearly done; clerestory windows are being installed. It’s worth it to check the worksite BLOG to see progress. Additionally, coupler packages are being made on site, all the parts have been customized for the coupler pockets, platforms are on. We have 12 to 14 people per work session. and it is good to see the fruits of so many people’s labor coming together.
- John gave a talk to the Palmer Lake Historical Society which 75 people attended! One of the local journals printed a nice article on the talk.
- The Chama Night Watchman’s House project is moving ahead. It will be habitable by volunteers when completed. Bob Ross appointed Bill Lock’s Committee to determine the parameters of who gets to stay in it and make RX to the Board. The Septic system needs a rebuilt and electrical conduit could probably be installed in the same trench at the same time.
- Cumbres Trail Project Concept: Costs to implement are between \$17,000 and \$20,000. Skip loaders, and ties for the walking paths have are needed. The Railroad owns the deed to its

property from Conejos County and we will move forward within the boundaries of what's owned by the Railroad. We always need to keep in mind what enhances the visitors experience. **M/S Hanscom/Tower to accept John's Report and move forward with the 'Trails' Project contingent on obtaining the money (U).**

Re-naming the CRF Facility in Antonito in memory of Ed Lowrance: Lock/Smalley, M/S to approve with Interpretation Committee to erect an appropriate plaque on or in the premises. (U).

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11:45 AM M/S Lock/Hardy to move into Executive Session. (U).

1205PM Lock/Engs M/S to come out of Executive session. (U).

Nominating Committee: Jim Herron, Chair:

- Jim Herron moved that Bob Ross, Don Stewart, Warren Smalley, Scott Hardy, Ed Beaudette, and Russ Hanscom be nominated for re-election to a two-year term of the Friends Board of Directors of the Cumbres & Toltec Scenic Railroad. **M/S Lock/Ferro. (U).**
- We discussed the need for a treasurer and a couple of candidates will be approached.
- **M/S Lock/Tower:** Dave Ferro be added to the Executive Committee. **(U).**
- **M/S Lock/Hanscom:** keep two vacancies open on the Board of Directors. **(U).**

New Business: NONE

Move to adjourn: Engs/Tower (U).

Meeting adjourned: 1:35PM MDST

Respectfully submitted,

Warren D. Smalley, Recording secretary