

**Friends of the Cumbres & Toltec Scenic Railroad, Inc.
Minutes of Board Meeting Held June 23, 2007
Cookin' Books, Chama, New Mexico**

Board members present: Curt Bianchi, Nan Clark, Bob Craine, Parker Fowler, Jim Herron, David Lee, Bill Lock, Ed Lowrance, Craig McMullen, Art Nichols, Bob Ross, Warren Smalley, Linda Smith, Dennis Sterosky, Dan Pyzel, Caroline Tower, Spencer Wilson, Frank Yockey.

Board members absent: Bob Tully.

Guests: Ted Smith, David Priddle, John Engs, Spiro Betalico, Dick Cowles, Jean Lee.

1. Call to Order

Chairman Craine called the meeting to order at 8:07 a.m. MST.

2. Approval of Meeting Minutes

Chairman Craine asked for corrections to the March 2006 Board of Directors meeting minutes, and the April and May Executive Committee meeting minutes. There were no corrections.

M/S Fowler/Smalley to approve the minutes of the March 2006 Board of Directors meeting minutes, and the April and May Executive Committee meetings, with great thanks to the secretary. **Passed unanimously.**

3. Board and Officer Elections and Committee Appointments

a. Director Election Results

Chairman Craine announced the board of director election results as follows:

Nan Clark	839 votes
James Herron	831
David Lee	838
William Lock	838
Ed Lowrance	837
Craig McMullen	836
Dan Pyzel	832
Linda Smith	835
Dennis Sterosky	831
Caroline Tower	834
Spencer Wilson	840

All nominees were elected to two-year terms.

B. Election of Officers of the Corporation

The Nominating Committee proposed the following slate of officers:

Chair – Bob Craine
President (Interim) – Bill Lock (Tim Tennant upon return)
Vice Chair – Bob Ross
Secretary – Curt Bianchi

Treasurer – Dennis Sterosky
Assistant Secretary – Bill Lock
Assistant Treasurers – Bill Lock and Spencer Wilson

M/S Smalley/Yockey to approve the slate of officers as nominated by the Nominating Committee.
Passed unanimously.

C. Appointment of Executive Committee Members

The Nominating Committee proposed the following slate of Executive Committee members.

Chair – Bob Craine
Vice Chair – Bob Ross
Finance Committee Chair – Dennis Sterosky
Secretary – Curt Bianchi
Colorado Representative – Ed Lowrance
New Mexico Representative/Founder – Bill Lock
At Large – Jim Herron, Nan Clark
Ex officio – President/CEO (Bill Lock interim, Tim Tennant upon return)

M/S Smalley/Pyzel to approve the slate of officers as nominated by the Nominating Committee.
Passed unanimously.

D. Advisory Board

Chairman Craine recommended that the board take up the composition of the Advisory Board at the October board meeting.

E. Appointment of Committees and Chairmen

The Nominating Committee recommended the following slate of committees.

Finance

Dennis Sterosky, Chair
Bob Craine
Bill Lock
Bob Ross
Warren Smalley

Nominating

Warren Smalley, Chair
Curt Bianchi
Parker Fowler
David Lee
Art Nichols
Linda Smith

Railroad Visitor Center Working Group

Ed Lowrance, Chair
Roger Breeding
Nan Clark
Keith Hayes
Bob Ross
Linda Smith

Caroline Tower
Bob Tully
Spencer Wilson
Frank Yockey

Development

Bob Ross, Chair
Curt Bianchi
Nan Clark
Parker Fowler
Geof Gordon
Jim Herron
Bill Lock
Warren Smalley
Linda Smith
Caroline Tower

Projects

Ed Lowrance, Chair
Committee members to be determined.

Interpretation

Frank Yockey, Chair
Committee members to be determined.

Railfan

Bill Lock, Chair
Curt Bianchi
George Lawrence
Dan Pyzel
Spencer Wilson

Secretary Bianchi noted that the Library Committee was created last year, so it was added.

Library/Archive Committee

Spencer Wilson, Chair

Director Fowler proposed that a Covered Storage Working Group be formally created, which he would chair.

Covered Storage Working Group

Parker Fowler, Chair

M/S Smalley/Sterosky to approve the slate of committees as proposed by the Nominating Committee and amended by the board. **Approved unanimously.**

Chairman Craine asked directors Lowrance and Yockey to recommend a slate of Projects and Interpretation Committee members, respectively, within 45 days, subject to approval by the Executive Committee.

4. Installation of New Directors and Officers

Chairman Craine addressed the board. Things are going well, but the organization is stretched. It is a challenge to attend to all of the Friends' business without a full-time president or executive director.

Several directors have taken on additional duties on a volunteer basis, while the office staff is also stretched. The day-to-day activities are being attended to, but we are vulnerable in other areas. He appreciates the efforts of everyone, but pointed out that we can't sustain this pace with volunteers on a permanent basis.

Chairman Craine also noted that the railroad management company and the commission view the Friends as an equal partner in the stewardship of the railroad, and this is a reflection of the Friends' performance and maturity. We will need to continue to step up. There will be no less reliance on us.

Chairman Craine discussed the safety evaluation that was undertaken last summer by a Friends member who is an expert in this area. As a result of the evaluation, which was generally very favorable in terms of the Friends' current safety practices, our safety procedures and safety manual are being revised for the 2008 work sessions. Regarding first aid kits, the recommendation is that a first aid kit be carried to any work site more than 500 yards from a primary work site. Chairman Craine also noted that he and others were researching the purchase of one or more portable external cardiac defibrillator units for the Friends and possibly the railroad.

5. Railroad Operations Report

CTSMC General Manager Tim Tennant presented the report.

- Ridership is up 6.7% over 2007. 60% of riders have departed from Chama, 40% from Antonito.
- Mr. Tennant thanked the Friends for their efforts at this year's work sessions; in particular, the work being performed on the Osier dining hall, Lobato trestle, and painting the Chama depot before opening day.
- Nearly all of the coach fleet has been painted red. Two coaches remain to be painted and they should be completed later this year. Locomotive 484, 487 and 488 also received a fresh coat of paint and lettering.
- Work continues on locomotive 489. It was hoped that the locomotive would be completed by July 1, but it is now looking like September 1.
- The track and tie gang continues installing ties with more concentration of work on the Chama side of Osier. CTSMC is considering employing a crew to pick up the used ties along the right-of-way. Because of track improvements, we have been able to cut 15 minutes off of the inbound arrival time into Antonito in the afternoon.
- On a sad note, a passenger passed away due to a massive heart attack on the inbound Chama train on June 20.

Regarding the relationship among the members of the Triad, Mr. Tennant remarked that it is working very well.

6. Interim Executive Director's Report

Director Lock presented his report as interim executive director.

- He praised Gwen Lotz and Katharina Root for their efforts on behalf of the Friends. He also noted that Albuquerque area volunteers have been very helpful in the office.
- We have sold 450-500 copies of Sam Furukawa's book.

- 34-foot stock car body 5995 has been donated to the Friends and moved to Antonito.
- Ticket sales for the Moonlight Train have sold well, and we are considering adding another car to the train.

7. Master Calendar

Director Lock proposed the following calendar going forward:

Fall 2007 Board Meeting	October 26-27
Spring 2008 Board Meeting	March 15
Summer 2008 Board Meeting	June 21
2008 Annual Meeting	June 20
2008 Work Session S	May 5-9
2008 Work Session A	May 12-16
2008 Work Session B	May 19-23
2008 Work Session C	June 16-20
2008 Work Session D	June 23-27
2008 Work Session E	August 4-8
2008 Work Session F	August 11-15
2008 Moonlight Train	July 19

M/S Fowler/Yockey to approve the master calendar as proposed by Director Lock. **Passed unanimously.**

8. Dispatch Report

Dispatch Editor David Lee presented the report.

- Due to the lack of a central person assembling the project reports, he will need to get the project reports from the individual team leaders in order to report on our projects in the *Dispatch*.
- We started the practice of including an annual report in the *Dispatch* as a four-page insert. We need to have the information ready for this by mid-July.
- In terms of up-coming issues, there will be lead articles on the Dorman collection and ACNGS II.

There was some discussion about the possibility of including color in future issues of the *Dispatch*. Director Lee agreed to investigate the costs associated with doing so.

Chairman Craine also noted that next year will be the twentieth anniversary of the Friends as a corporate entity, and we need to consider how to commemorate that, both in the *Dispatch* and elsewhere.

9. Development Committee Report

Development Committee Chairman Ross presented the report.

- The ACNGS I fund currently holds \$143,761 in available cash, of which \$20,000 has already been approved by the board for use on the 2007 Friends projects.
- ACNGS II pledges to date total \$322,125. Total cash donations currently amount to \$77,183.

- Directors Ross and Clark have secured several \$1,000 donations from Chama businesses. They have also met with foundations here in New Mexico, and the feedback has been positive.
- A delegation from the Friends met with Jicarilla Apache representatives, and we are in discussions with them regarding future projects.
- Completion of our planned giving program has been delayed due to other activities, and we need to finish defining the program.
- Director Clark reported that we have a number of grant applications in progress, including an \$850,000 grant to restore locomotive 463, which will require a dollar-for-dollar match.

10. Financial Report

Treasurer Sterosky reviewed the 2006 audited financial statements. We received an unqualified opinion regarding our 2006 financials. He then reviewed the year-to-date financial statements. Of note, income from dues is well under budget, although it has been made up by unrestricted donations.

M/S McMullen/Pyzel to accept the Development Committee and Finance Committee reports. **Passed unanimously.**

11. Executive Session

The board entered into executive session. Upon returning to open session, Chairman Craine convened a committee consisting of Ed Lowrance, Craig McMullen and ? in order to conduct a search for the Projects Manager position.

12. Restoration and Interpretation Programs Report

Director Lowrance presented the Projects Committee report. While some projects for this year have been annulled, in general the projects are going well. He is concerned that planning the 2008 projects has not yet begun, and we are therefore behind in our 2008 planning process.

Director Yockey presented the Interpretations Committee report. Regarding the docent program, we have staffed every train thus far this year. However, this season's increased schedule has put an additional burden on the docent staff. As a consequence, some trains have been staffed by only one docent.

Director Yockey presented his initial thoughts regarding the future of the Interpretation Committee, for which he will assume the chair. He described a mission statement for the committee, as well as a set of recommendations going forward.

Chairman Craine then asked John Eng to report on his ideas for a demonstration train tentatively planned for 2008. With pile driver OB nearing completion, and with 2008 being the twentieth anniversary of the Friends as a corporate entity, Mr. Eng envisions a three-day celebration including an OB demonstration train, other special trains, and other activities and events. He believes such an event could bring in as many as 4,000 to 6,000 people. There was some concern about the magnitude of the planning for such an event.

Finally, Director McMullen noted that our hardhats have aged due to the construction materials used and are likely out of compliance.

13. Chama Structures Task Force Report

Director Lowrance presented the report. Informal meetings have been held with some of the directors of CTSMC regarding the idea of a Railroad Visitor Center (RVC), and it has thus far been received enthusiastically. The same process needs to occur with the individual commissioners. In short, we need agreement on the location, a long-term lease on the property if it is on railroad property, and funding. Director Lowrance believes the project is very doable, and it will have a great impact on the railroad.

Director Fowler reported that he continues to research covered storage for the historic car fleet. There are many variables, and he hopes to have a report to the board before its October meeting. Chairman Craine asked Mr. Fowler to continue with the covered storage research as a committee of one and said we would re-visit the issue at the October meeting.

Director Lowrance then addressed the topic of a shop facility at Chama. He feels that we are ten years away from undertaking such a project, given our other activities.

14. New Business

Director Fowler reported on progress with respect to the Colorado legislature. Hugh Fowler has been appointed the commission's designated Colorado liaison. The Capital Development Committee, which prioritizes requests for capital money in the state of Colorado, will be visiting the railroad in July. There is also an effort underway to move budget oversight of the railroad from the Commission On Higher Education to the Division of Parks and Wildlife.

Secretary Bianchi reported that the National Register of Historic Places nomination that was used to elevate the status of the C&TS to national significance is now available for downloading from our web site.

Director Tower asked that the Executive Committee to consider whether a bonus would be appropriate for our office workers.

Director Lock reported on several items. It appears that we may have to evict the tenant on our South Chama Farms property, which may necessitate hiring a local attorney. The Railfan Committee is tentatively planning a mid-September trip on the Railrunner out of Albuquerque. We have raised the idea with the Jicarilla Apaches the idea of trading a boxcar coach for the two derelict stock cars at Dulce.

Director Lowrance reported that some Alamosa roundhouse shop equipment has been made available to us, but there are a number of issues related to it. The sheer size of the equipment would require a very large structure to house it, and there would also be considerable expense in transporting the equipment to Antonito, necessitating the use of cranes at both Alamosa and Antonito. He asked for guidance from the board. Chairman Craine recommended that the Interpretation and Projects Committees jointly determine whether to proceed with the acquisition of this equipment.

Director Nichols acknowledged the presence of David Priddle of the West Somerset Railway of Great Britain.

15. Adjournment

The meeting adjourned at 3:50 p.m.

Respectfully submitted,

Curt Bianchi, Secretary