

Cumbres and Toltec Scenic Railroad Commission Meeting

11:00 a.m. – Tuesday, September 24, 2013
Chama Senior Center (formerly Cookin' Books)
2449 US Highways 84 - 64, Chama, NM 87520

Meeting Called to Order* - the meeting was called to order at 11:15am by Chairman Peter Foster.

Commissioners present and their staff were:

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| Peter Foster, Chairman | Billy Elbrock – Vice Chairman |
| Randy Randall – Treasurer | Dan Love - Secretary |
| Mark Garcia – Executive Director | John Bush – President/ GM of CTO |

Let the minutes reflect quorum was present

Approval of Agenda – Chairman Foster requested they move the Antonito Merchant Association up in the agenda to after the minutes. Comm. Randall moved as modified, Comm. Love seconded the motion. No discussion. Motion carried 4/0.

Approval of Minutes from June 26, 2013 Meeting - Comm. Randall moved to table minutes until next meeting. Comm. Love seconded. No discussion. Motion carried. 4/0. See Attachment A

Antonito Merchant Association-

1. Sandra Gray, owner of the Train Stop gifts- Sandra stated that an Antonito Merchant Association had been founded. She, as the leader, submitted a list of three points they would like to make. See Attachment B.

Presidents Report – John Bush

1. Train Operations Report – ridership is up 14.5% over last year. Reservations are up. Current bookings are higher than the final ridership numbers from 2012. This year the C&TSRR is the only one of the rocky mountain scenic railroads that is up in ridership. Part of this is a result of a very active marketing strategy. The strategy has been to grow ridership first, and then revenue over 3 year plan. Not only does this help the train, it helps both communities. Also part of the success is a very active PR campaign. Thanks to the local businesses that helped with lodging for the campaign. The C&TSRR was recently featured on the New Mexico Tourism Website one of the places to come visit the fall colors. Also, the C&TSRR was included in the 49 journeys that will change your life by CNN.
2. Maintenance and Repair Report – 4 serviceable locomotives. 484 still in 1472 inspection. 463 is being taken care of and still needs additional winter work. The car project is on schedule.
3. Special and Charter Train Update – Saturday evening dinner service. Filmed a major motion movie in Antonito, spring of this year. Also filmed in 2 smaller movies.
4. Marketing Report. – Introduction of Lynore Abbott.
 - a. Measure – Plan – Execute. See Attachment C.
5. Other Information - Roger Hogan requested the difference in revenue compared to last year. Pres. Bush stated the CTO up \$180K.

2. Executive Directors Report – Mark Garcia See Attachment D.

1. Financial Report – Since the last meeting the 2012/2013 fiscal year was completed. It finished about even in train operating. Some capital projects are close to completion. The Commission and CTO have changed over to a new financial system.
2. Capital Project Report – Lobato Trestle Abutment, Los Piños Water Tank have been concluded. Now working on the Chama Depot and finalizing Cumbres Pavilion. Track work coming to an end for the season. A lot of work going on until weather brings it to an end.

3. FY 14-15 Budget Report – The legislatures are starting to get ready for the beginning of the year. Budgets have been turned in and the hope to continue the trend of funding. LFC was here to ride on a special evening train. Candelaria submissions are in. A meeting took place for the Candelaria donors to see what has been done with their funds.
 4. Grant and Special Project Report - See Attachment D.
3. Commissioner Reports
1. Chairman Report* – Chairman Foster – Thank you, Mark, for your hard work, We are dismayed that you have taken a job with Monte Vista, and are sorry to see you go. Seconding Comm. Randall's thoughts, welcome Lynore. Very happy about where we are in ridership and how the excursions are looking and working. Strategic planning is the goal for the future. Thank you, Sandra Gray, for your insights and opinions of what we are doing right and wrong, so thank you for being here.
 2. Vice Chairman Report – Comm. Elbrock – nothing to report
 3. Secretary Report – Comm. Love – We are doing a number of things outside the normal day in and day out the normal operation of the railroad. Including building 2 additional products that add a strategic plan to bring people to the C&TSRR. The first is a historic car fleet – rehab 5 cars that were built in the 1880's. The second is the Scenic Byway that has received positive response. In the next couple of weeks filing a grant with CO to create a master plan for the Byway, as to what needs to be done and what it will cost. Estimating \$2m from us and \$2m from CO. Dan would like to request that the commission give support the restoration of K-37 loco#491. If it could be brought up later for consideration.
 4. Treasurer Report – Comm. Randall – Would like to thank Mark for the financial system that Mark has brought, to help get more accurate reports and make things easier. The LFC- It was very positive event. The C&TSRR has been used as an example for grant funding. The Chama Depot restoration will take place this fall. Is glad to see that C&TSRR was a part of NM tourism marketing and suggests that the CO Commissioners work on getting CO Tourism to do the same. Comm. Love- The Secretary of Interior Salazar will be riding the train on Oct 6th. John Bush- This train is in honor of the designation of the C&TSRR as a National Historic Landmark and will be pulled by locomotive 463. Comm. Love- when I mentioned the historic car fleet, all of this work will be done in new buildings in Antonito.
4. Friends of C&TSRR Report – Tim Tennant - Work sessions A-F have been completed with 359 participants. The Cinder Bear Gondola was re-worked, the RPO 64 was repainted, the static locomotives in Antonito were repainted and a new car shop has been started. The car shop has 3 tracks that will be able to hold historic and revenue equipment. Its purpose is to keep cars out of the elements, keeping the cars maintained longer. Also completed were brush and tree cutting, some repair work of stock pens in Chama and work was done on the Cook car. Bob Ross is always out at the mile post and whistle posts making sure they are in good condition. Bob Hay and Bob Ross have done another great job with the docents. Sandia HS- moved flat car as a partnership the high school wood working class will help re-deck the flat car. Thank you John, for working with Sangre De Christo for the Oct 6th train.
1. Communication and Committee Discussion – Need to set up a triad meeting with Friends/Commissioner/CTO.
 2. Roundhouse Project Update – not a lot to say. It is in the architect/engineering phase. Maybe more to report at next meeting.
Comm. Love- I would like to express their deep appreciation for work done to help earn the National Historic Designation.
5. Public Input –
1. Ed – In the work session this next week in Antonito, they will be lettering the locomotive.
 2. Amanda – Is the RR going to do something special for the Oct 6th event to decorate the depot? John Bush-yes.

Also, when going to the depot for the first time, it was hard to find. It didn't look like she was in the right place and an office sign was not evident. There is a big pot hole in the main drive. J Bush- looking at getting a new entrance.

3. Kim Casford Smith – The RGRPCO is donating \$1,500 for the dedication ceremony for designation of the National Historical Landmark to take place Oct 6th, 2013 at the Antonito Station. See Attachment F.
6. Unfinished Business* - None to report.
7. New Business* - The Election of Duties and Officers - Chairman Foster - Is there a motion? Comm. Randall- Chairman Foster Comm. Elbrock made a motion in accordance of the manual. Comm. Randall seconded the motion. Discussion- Chairman Foster would like Comm. Randall to stay in the Treasurers place. Comm. Love- would like to adhere to the manual. Chairman Foster- if that is the agreement of the commission they would continue as the manual states. Motioned carried. 4/0 New Election and Duties of Officers is as follows:

Billy Elbrock, Chairman - NM
Peter Foster – Treasurer - CO

Dan Love – Vice chairman - CO
Randy Randall- Secretary - NM

1. Friends of the C&TSRR HPA Funding Request –Tim Tennant- of the requested projects, the covered shelter would be the highest priority. 2nd Osier Section House would be the second priority and the Tank Car the third. Chairman Foster- would propose tabling the request- in order to find some ground through the strategic planning. Due to lack of time, due to other activities to look at the HPF. Tim- would there be a time frame. Comm. Randall- what is the time frame you are looking for on these funds? Tim- the car shelter is immediate; it needs to be completed before the new season starts. Ed- The section house has a relevantly long lead time due to the fact that the wood is special order. The project was planned to take 2 years. Some of the wood would be needed for the 2014 work sessions. The electrical in the building is ruined. So, none of the electric is useable. They would need to place an order for wood in middle of Jan for work session. The biggest portion of money would be for the car shelter – due to the number of historical cars to go in it is fire suppression. Funds are not needed at this time, but they do need a commitment. The tank cars have been worked on for some time. They are near the finishing point on the 2 frame less tank cars. Comm. Randall- the \$27,750 on Osier section house does not include the replacement of the wiring. Ed - That would be an unknown additional cost. They felt the quote should come from the Commission. Comm. Randall - The car shop- would like to see a breakdown. Tim/Ed - Gable ends – 900.00, Electric Line \$800, Dry standpipe fire suppression \$25,700.00 (looking to install in June 2014), rental man lift for side panels \$3,200. Would like to install 6 foot panels for a wind break. Comm. Randall- if the funds were made available for the covered car shelter. Would that constitute some agreement with CTO to allow usage? Tim- yes. Ed- we have restored equipment that is historically important that they would like stored- about 3 cars. Tim- Capacity for 18 cars. Stephen Flowers – The Osier section house has a leak in the front room and is also leaking on the inside of the room. Most of the wiring is bare. Comm. Randall- there is probably money in the Osier account for re-wiring and insulation. Comm. Love- one of the problems is that the HPF is new. They need to figure out what the use for the HPF. Comm. Randall- Motion that the discussion be tabled until Dec commission meeting. Comm. Love seconded. The motion to table the discussion carried. 4/0 See Attachment E.
2. FY 13-14 Amended Budget Adoption – Budgets have been revised to included class codes and line items, which were not originally included in the budget. Additional line items have been added to allow for tracking additional. Comm. Randall Motioned. Comm. Elbrock seconded. Motion carried. 4/0
Mark- These revisions do not need to go to the legislature- they are for internal use.
Commission Budget – Account numbers, class code and some language. No bottom line numbers changed. Comm. Randall motioned. Comm. Love seconded. 4/0

HPA Budget – New Class Codes and new account numbers Comm. Randall motioned. Comm. Love seconded. Motion carried 4/0

CTO – Ridership increased Ridership and thus Revenue. To allow for funding of some missing line items and the facilities budget. Comm. Randall- can you quantify the increases? Comm. Randall- Motion to table for more information. Dan 2nd. Discussion: Comm. Randall- The changes are probably pretty modest- but it is John's job to make sure that he can provide those changes and the reasons why. Motion to table carried. 4/0

3. Other Business- Comm. Love – K-37 I would like to offer a motion that we support the CO RR museum in its effort to obtain a grant in the restoration of 491. Comm. Randall seconded. Motion carried. 4/0.

8. Adjournment

Adjourned 2:02pm

A handwritten signature in black ink, appearing to read "Dan Love", is written over a horizontal line. The signature is cursive and somewhat stylized.

Dan Love, Secretary