

C&TSRR Commission Minutes

October 28, 2017 9:00 AM

Chama Senior Center

Public Input – Public comments/questions will be allowed during each topic upon being recognized by the Chairman. Comments and questions may be no longer than 3 minutes and must adhere to any other requirements established by the Chairman. All public speakers must indicate their desires by registering in advance of the meeting on the available sign-up sheet which will become part of the record of the meeting.

1. Call meeting to order – 9:05a.m. Chairman Lucy Kay
2. Pledge of Allegiance – Vice Chairman Billy Elbrock
3. Introductions – Commissioner Kay
4. Approval of Agenda – Vice Chairman Billy Elbrock
5. Approve the Minutes from August 5, 2017 Commission meeting - Commissioner Kay, approved unanimous.
6. Presidents Report – John Bush
 - a. Train Operations Report – John Bush- Lucy Kay is stepping down. Mark Graybill will be stepping in. Mark is the president of the Historic Rail Association, and the Georgetown Loop Railroad. We are excited to have him aboard. We had a very good season. USA voted us # 1. Ridership is up at an unaudited 38,016, 7.4% increase, 11 % revenue. Premium services are up.
 - b. Maintenance and Repair Report – John Bush-
 - c. Historic Car Fleet update – Stathi Pappas-292 external siding is going up. Grant application for next car 256. We are staying on budget.
 - d. Tracks Across Borders Byway update – John Bush- Muriel Eason is stepping down. We have several candidates to replace Muriel.
 - e. Marketing Report – John Bush & Betsy Bartholomew from Launch-Support long term sustainability. Focusing on Facebook. Troy Research 96.33% giving us a score of 9.
7. Financial Manager Report
 - a. Financial Report – George Canham- Completed audit without any issues. Passed inventory with one try. The only thing that was missed in preparation for last year calculations, we owe the Friends \$ 6,800.00. In the First three months CTO Revenue is \$ 2,855,183. Net income is \$ 1,192,011. Last year we had a net income of \$723,000, we are up \$ 473,000. We are over budget by \$ 297,000, which is awesome.
8. Commissioner Reports
 - a. Chairman Report – Lucy Kay- Is stepping down. Welcome Mark Graybill, he is going to do a great job. Colorado Tourism is focusing on rural regions, taking traffic off I70.
 - b. Vice Chairman Report – Billy Elbrock/local affairs- We have a new sign. 23,192 people have gone through the Visitor center. Thank you for our support.
 - c. Secretary Report – Dan Love/capital projects- It is very important that we get to the point that we are self-sustaining. Our Capital situation in its entirety, not just the Historic Preservation part, is in very good stead and we look forward to a very successful year.

d. Treasurer Report – Dick Cowles –finance- Dick would like to use some of Dan’s comments. We’ve had a lot of success this year to enable us to go to the Legislators and the Roundhouse. We are doing a lot of stuff right. We had the Economic and Rural development up to Chama. They were able to ride the train and see the operation. It was a success.

9. Friends of C&TSRR Report – Tim Tennant- Had a very good year. Thank you to the Docents. 572 attendees this year. Their help, helps with the communities. Work sessions are a big part.

a. General info

10. New Business*

a. Move to approve 2018 Pricing, moved to approve, approved unanimously.

b. Move to approve Policies and Practices V7.0, moved to approve, approved unanimously.

c. Move to approve Resolution for the El Pomar Grant application for D&RG #168, moved to approve, approved unanimously.

d. Move to approve Commission offices and slate assignments for October 29, 2017 to October 2018, moved to approve, approved unanimously.

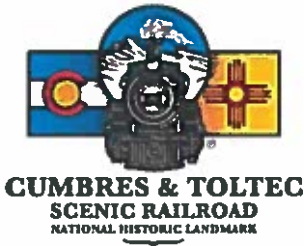
11. Adjournment 10:47a.m.



Dan Love

**Items specified for agenda in Commission rules*

The Commission Meetings are open to the public. The final agenda will be available at October 25, 2017, and may be obtained by contacting the Chama NM office at 888-286-2737 Ext 20, or by accessing the Commission website at www.commission.ctsrr.com. Disabled members of the public who need assistance or special accommodations should contact the Chama NM Office in advance of the meeting in order to discuss their needs and whether accommodations can be provided.



Cumbres & Toltec Scenic Railroad

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October 25, 2017

I.

Current C&TS pricing model utilizes two "Seasons." Summer season 2017 ran from Opening Day May 27 through September 3, and had 100 operating days. Fall began on Labor Day and runs through the close of the season on October 22 with 49 operating days.

Ridership Comparison 2016/2017 as of 10/21/2017

| | <u>Coach</u> | <u>Tourist</u> | <u>Parlor</u> | <u>Total</u> |
|------|--------------|----------------|---------------|--------------|
| 2016 | 26,112 | 4,738 | 4,269 | 35,119 |
| 2017 | 27,068 | 5,614 | 4,991 | 37,673 |

Change In Revenue Contribution

| | <u>Coach</u> | <u>Tourist</u> | <u>Parlor</u> | <u>Total</u> |
|--|--------------|----------------|---------------|--------------|
| | \$103,441 | \$145,778 | \$144,064 | \$393,283 |

Results for the 2017 season compared with the 2016 season through October 17, show the following trends:

- Overall ridership increased 7.5%
- Summer ridership increased 9.2%
- Fall ridership increased 3.9%

Ridership Improvement summary:

| | <u>Coach</u> | <u>Tourist</u> | <u>Parlor</u> | <u>Overall</u> |
|---------|--------------|----------------|---------------|----------------|
| Summer | +2.5% | +30.2% | +26.5% | +9.2% |
| Fall | +3.9% | +2.8% | +5.0% | +3.9% |
| Overall | +3.1% | +19.4% | +17.3% | +7.5% |

II. Capacity Utilization 2017:

| | <u>Coach</u> | <u>Tourist</u> | <u>Parlor</u> | <u>Overall</u> |
|---------|--------------|----------------|---------------|----------------|
| Summer | 49.8% | 75.4% | 79.5% | 54.6% |
| Fall | 70.5% | 86.7% | 94.6% | 73.3% |
| Overall | 56.6% | 79.2% | 84.5% | 60.8% |

III. Performance:

| | <u>Ridership</u> | <u>Ticket</u> | <u>Retail</u> | <u>Total</u> |
|-----------------------|------------------|---------------|---------------|--------------|
| 2017 10 year Target | 38,600 | \$ 3,915K | \$ 378K | \$ 4,293K |
| 2017 Result | 38,016 | \$ 3,940K | \$ 403K | \$ 4,343K |
| 2018 10 year Target | 40,517 | \$ 4,472K | \$ 389K | \$ 4,861K |
| 2018 Projected Result | 40,739 | \$ 4,531K | \$ 415K | \$ 4,946K |

IV. Ticket Pricing Structure:

| | <u>Coach</u> | | <u>Tourist</u> | | <u>Parlor</u> | |
|---------------|---------------|-------------|----------------|-------------|---------------|-------------|
| | <u>Summer</u> | <u>Fall</u> | <u>Summer</u> | <u>Fall</u> | <u>Summer</u> | <u>Fall</u> |
| 2016 Actual | \$95.00 | \$99.00 | \$145.00 | \$155.00 | \$185.00 | \$195.00 |
| 2017 Actual | \$95.75 | \$99.75 | \$145.75 | \$155.75 | \$185.75 | \$195.75 |
| 2018 Proposed | \$99.75 | \$104.75 | \$155.75 | \$165.75 | \$195.75 | \$205.75 |

Discounts

AAA and AARP members will be eligible for a 5% discount on coach tickets during the regular season May 26 – Sept. 2, 2018. Proof of membership will be required.

Military (active and veterans) will be eligible for a 20% discount on coach tickets during the regular season May 26 – Sept. 2, 2018. Proof of service will be required.

Colorado Springs residents are eligible for a 25% discount on coach tickets. Proof of residency required.

No discounts are offered for premium service (Tourist, Parlor, or charter).

Other discounts may be offered for groups or short term specials as approved.

A RESOLUTION SUPPORTING THE CUMBRES & TOLTEC SCENIC RAILROAD
COMMISSION'S GRANT APPLICATION TO THE EL POMAR FOUNDATION

Whereas, the Cumbres & Toltec Scenic Railroad has leased Engine 168 from the City of Colorado Springs for a period of 45 years under terms by which the Railroad will rehabilitate Engine 168 and then operate it in service; and

Whereas, the Cumbres & Toltec Scenic Railroad Commission has begun a capital campaign to raise the funds necessary to do so.


NOW, THEREFORE, BE IT RESOLVED BY THE CUMBRES & TOLTEC RAILROAD
COMMISSION AS FOLLOWS:

- 1) The Commission strongly supports a grant application to the El Pomar Foundation and authorizes the grant application to be submitted.
- 2) If the grant is awarded, the Commission authorizes the Railroad's President and General Manager to sign the grant agreement with the El Pomar Foundation.
- 3) The Commission authorizes the expenditure of any funds received to meet the terms and obligations of any grant that is awarded.
- 4) This resolution is effective upon adoption.

RESOLUTION APPROVED AND ADOPTED this 28th day of October, 2017.

CUMBRES & TOLTEC SCENIC RAILROAD COMMISSION

By



Lucy Kay, Commission Chair

Election of Commission Offices:

Slate assignments for October 29, 2017 to October 2018


Chairman: Commissioner Billy Elbrock

Vice Chairman: Commissioner Dan Love

Secretary: Commissioner Dick Cowles

Treasurer: Mark Graybill

Moved to approve, approved unanimously.


Billy Elbrock