

Cumbres & Toltec Scenic Railroad Commission
Minutes of the Regular Meeting November 1, 2025
9:00am

Location of Meeting:

Village of Chama Chamber, 1512 State Road 17, Chama, NM

The regular meeting of the Commission of the Cumbres and Toltec Scenic Railroad was called to order at 9:00am by Chairman Billy Elbrock.

Present at Meeting: Commissioner Billy Elbrock, Commissioner Scott Gibbs, Commissioner Smith Casford, Commissioner Graybill. Commissioner Elbrock determined a quorum was present.

Approval of Agenda: The agenda for the meeting was distributed. A motion was made by Commissioner Graybill to approve the agenda as presented. Seconded by Commissioner Gibbs. Approved 4/0.

Approval of Minutes from Regular Commission Meeting on August 2, 2025: The minutes of the August 2, 2025, Regular Commission Meeting were distributed via email. A motion was made by Commissioner Graybill to approve the minutes of the August 2, 2025, meeting and seconded by Commissioner Gibbs. Approved 4/0.

Superintendent's Report: Attached as Addendum A

CMO Report: Attached as Addendum B

Financial Report: Attached as Addendum C

Marketing Report: Attached as Addendum D

CEO Report: Attached as Addendum E

Local Affairs Report: Attached as Addendum F

Capital Projects Report: Attached as Addendum G

Tracks Across Borders Byway Report: Attached as Addendum H

Friends of the Cumbres & Toltec Scenic Railroad Report: Attached as Addendum I

Public Input: Chairman Elbrock identified 3 individuals signed up to speak. John Bush, Tom Stewart and Kim Smith Casford.

New Business:

- a. A motion to approve Memorandum of Agreement between the Commission and New Mexico Minerals and Natural Resources, Forestry Division was made Commissioner Graybill and seconded by Commissioner Gibbs. Roll call vote: Commissioner Graybill: yes; Commissioner Gibbs: yes; Commissioner Smith Casford: yes; Commissioner Elbrock: yes. Motion passed unanimously.
- b. A motion to approve Resolutions 2025-002: A Resolution to Adopt an Open Meeting Policy was made by Commissioner Smith Casford and seconded by Commissioner Graybill. Roll call vote: Commissioner Graybill: yes; Commissioner Gibbs: yes; Commissioner Smith Casford: yes; Commissioner Elbrock: yes. Motion passed unanimously.
- c. A motion to approve Resolution 2025-003: A Resolution to Adopt a Policy for Memorials and Cremains was made by Commissioner Graybill and seconded by Commissioner Smith Casford. Roll call vote: Commissioner Graybill: yes; Commissioner Gibbs: yes; Commissioner Smith Casford: yes; Commissioner Elbrock: yes. Motion passed unanimously.
- d. A motion to approve changes to Policy and Procedures Manual v8.1 to reflect changes in Minutes locations and addition of Memorials and Cremains Policy was made by Commissioner Graybill and seconded by Commissioner Gibbs. Roll call vote: Commissioner Graybill: yes; Commissioner Gibbs: yes; Commissioner Smith Casford: yes; Commissioner Elbrock: yes. Motion passed unanimously.
- e. A motion to approve the use of HPF Fund for materials to complete Pay Car F Not to Exceed \$50,000 which includes the balance due to WT Kirtman Lanterns, Inc. was made by Commissioner Smith Casford and seconded by Commissioner Graybill.
- f. A motion to approve 2026 assignment of officers was made by Commissioner Gibbs and seconded by Commissioner Smith Casford. Roll call vote: Commissioner Graybill: yes; Commissioner Gibbs: yes; Commissioner Smith Casford: yes; Commissioner Elbrock: yes. Motion passed unanimously. Officers' assignments for 2026 as follows: Chairman: Commissioner Graybill, Vice-chairman: Kim Smith Casford, Secretary: Commissioner Scott Gibbs, Treasurer: Commissioner Elbrock
- g. A motion to approve 2026 regular meeting dates was made by Commissioner Gibbs and seconded by Commissioner Graybill. Roll call vote: Commissioner Graybill: yes; Commissioner Gibbs: yes; Commissioner Smith Casford: yes; Commissioner Elbrock: yes. Motion passed unanimously. 2026 Regular Commission meetings as follows: February 7, Antonito, April 25, Chama, August 15, Antonito, November 7, Chama.

Old Business: None presented

Executive Session: Chairman Elbrock announced there was no need for an Executive Session

Actions following Executive Session: no Executive Session

**Motion to adjourn made by Commissioner Smith Casford, seconded by Commissioner Graybill.
Approved 4/0. Meeting adjourned at 10:51 am.**

The next regular meeting will be held on Saturday, February 7, 2025, at 9:00 am, Antonito, CO, location to be determined.

Kim Smith Casford, Secretary

DRAFT

Cumbres & Toltec Scenic Railroad: Superintendent's Report: Marvin Casias

11.1.25

Marvin noted it was a pretty good summer overall. He stated keeping things running involves a lot of equipment and moving parts.

June and July were slow, but business picked up significantly in September. There's a lot of work planned this year, and if that work is completed on time, day-to-day operations will be much smoother next season. Much of this summer was spent catching up on delayed maintenance.

Annual car inspections will begin next Monday, with required maintenance done as needed. After the Christmas trains run, several cars will receive cosmetic updates. One of the handicap coaches will be modified into a combined handicap and concession car. Materials are already ordered for a new parlor car, which is expected to be about 75% complete by next summer and possibly ready for fall service.

The track program installed about 1,500 ties—below the goal—but there's still time to add another 500 before year's end. Ballast is currently being dropped, and if Locomotive 114 holds out, the remaining 4,000 tons can be placed.

The Long Creek culverts have been repaired, which temporarily pulled the track crew away from tie work. The crew also spent time cleaning up the right-of-way (ROW), gathering old ties from prior years into a central area for pickup. Used ties are available to anyone who wants them. Remaining tasks include removing trees cut during the fire mitigation project. The excavator is currently working east of Osier.

Marvin acknowledged that it had been a tough year for employees, and said they deserve a big round of applause for their hard work. Commissioner Graybull agreed, calling their efforts "monumental."

Discussion

- Tom Stewart asked about the cut trees and whether the pine needles would be removed. Marvin said they should decompose over the winter, but if not, the ballast regulator's broom can be used.
- Tom also mentioned rough spots along the ROW, particularly between Apache Canyon and Los Pinos, based on feedback from docents. Marvin replied that 7.5 miles of track had been tamped in the past six weeks.
- John Bush inquired about the water tanks, starting with Lava. Marvin reported that the Lava tank is operational and currently full, supplied by tank cars. It has a 12,000-gallon capacity but hasn't been filled to that level yet. Sublette's water system is in excellent condition, with the line intact and the tank overflowing. Cresco's water line is plugged and needs repair, while the Cumbres line has been successfully repaired.

Partially transcribed by Sam Seiber

Cumbres & Toltec Scenic Railroad: Chief Mechanical Officer: Steven Butler

11.1.25

Steam Locomotives

168:

Due for annual inspection this winter.

No major repairs required; repainting planned.

315:

Passed annual inspection after replacement of 26 crown stays.

Will winter at the Colorado Railroad Museum (CRRM) and return in May.

Next annual due October 2026.

463:

Passed annual inspection in spring 2025.

Scheduled to move to Antonito and power the Antonito Christmas Trains.

Post-holiday work will include tender and trailing truck repairs.

Next annual due November 2026.

1472-day inspection scheduled after the 2027 operating season.

484:

Winterized and awaiting shop time.

Nearly out of boiler service days; will be out of service for several years.

Requires full boiler and running gear overhaul (approx. \$2 million).

487:

Due for five-year and annual inspections this winter.

Will undergo extensive running gear work following the Chama Christmas Trains.

488:

Currently in the shop for winterization and tire replacement.

Will receive annual inspection, new tender tank, and major running gear work.

Drivers have been removed for new tires.

489:

Wheels returned from Pennsylvania with one new axle and four new crank pins; tires turned.

Received new crown brasses over summer; hub liners and spring rigging overhaul scheduled.

Annual inspection completed in spring 2025.

Will winter in Chama.

492:

Boiler to be removed in the coming weeks for transfer to Antonito for 1472-day inspection.

Running gear work to begin once No. 487 returns to service.

Completion is expected in approximately two years.

Diesel Locomotives

15:

Operable but requires new water pump and reverser.

19:

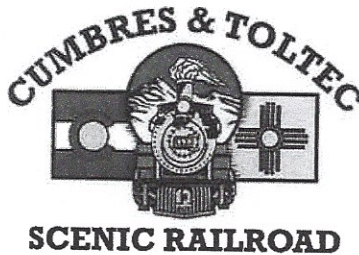
Fully operational.

114:

Performing well on work trains following initial adjustments.

Used for passenger service as needed when steam power is unavailable.

Partially transcribed by Sam Seiber



Summary:

The end of the season is busy, as we prepare for the winter and the next season. Currently, I have been assisting HR with the migration to the new PEO, so onboarding, documentation, as well as setup on the accounting side, bank information, and time and attendance. As the calendar year ends, we will begin working on asking vendors for update W-9s for the accounting files. New Mexico Bank & Trust was acquired by another financial institution, we have received new credit cards for the account, but all banking information has stayed the same for accounts numbers and such.

HPA:

Historic Preservation fund during this time of year is quiet. In review of the profit and loss comparison, we can conclude that the net income for fiscal 2026 year to date has decreased about 37% from prior year. Total Income has decreased about .80%, but we do see an increase in expenses due to insurance costs (Management Liability Coverage), Supplies & Services (HPF due to the Friends of the Cumbres & Toltec Scenic Railroad), and G&A (bank fees). The balance sheet analysis reflects an increase of about 16% of total assets – although we see a decrease of about 31% in banks accounts, we do see an increase in the total current assets of about 16%. Total liabilities and equity have increased about 16% from prior year to date.

Commission:

The Commission Profit and Loss Statement reflect an increase of net income of about 23%. Total income has increased from prior year of about 8%, this is primarily due to the increase of the General Fund Support from the states. We do see an increase in expenses of about 5% as we review the fiscal year to date profit and loss – insurance has increased as well as utilities. Total other income has increase from prior year as well. The balance sheet reflects a decrease in assets of about 14%, total banks accounts have decreased from prior year about 45% and total other current assets of about 15%. Total liabilities and equity have decreased about 26%. Analyzing the budget versus actual for the Commission, we are currently 29% under budget for the first quarter of the fiscal year.

CTO:

In review of the profit and loss statement, we can see that there was an increase in operational revenue of about \$1,755, a decrease in retail sales of about \$4,657, which concludes us with a total decrease of \$8K in total income. Total expenses have increased from prior year of about \$212k, an 11% increase from prior year to date. Currently, payroll expenses (\$256k), Supplies and services (\$60k), G&A (\$4K), Utilities (\$3K), and Travel & Meetings (\$4) have increased from prior year, however, we do see a decrease in Insurance (\$4k), Operation Expense (\$85K), Professional fees (\$5K), and Advertising and Marketing (\$22K). CTO LLC's current NOI is \$139k less than prior year. Total other expenses have decreased about \$8,600 and to conclude the CTO LLC profit and loss statement with a deficit NI of \$130K year to date. In review of the balance sheet for the operating company, total assets have decreased about 21% from prior, mainly from total current assets, as we do see an increase in our bank accounts, driven by a 93% in the ticket revenue account. Total liabilities have increased about 7%, concluding the balance sheet statement with a decrease in total liabilities and equity of about 21%.

Capital:

Capital spending for the first quarter of the fiscal year totals to \$1.121mil in expenditures, currently the totals for track: \$601,999, locomotive: \$371,891, and passenger cars \$21,899.

Alysia Martinez

Cumbres & Toltec Scenic Railroad: Marketing Report: Robert Stefanski

11.1.25

Robert is in his third week with the railroad and brings 12 years of experience in marketing and communications. Having lived in the San Luis Valley for about three years, he said he loves the area and believes the railroad has an important story to share with the world.

He highlighted recent recognition of the railroad, noting that Japan Rail Magazine named it the #1 fall destination, and that it has consistently ranked among the top 10 fall train rides on social media. The railroad's visibility is growing worldwide.

The marketing program uses online, print, TV, and radio outreach, reaching approximately 60 million people this year. Social media performance is especially strong—Facebook engagement averages 5%, about four times the industry standard. Robert is exploring ways to share more passenger experiences and to make marketing efforts more efficient.

He explained that the railroad's marketing focus remains strong locally and regionally. Nine of the top ten customer ZIP codes are from New Mexico, with Pagosa Springs, Colorado, ranking second. Plans are underway to expand outreach to the Denver market.

Robert also discussed broadening the railroad's offerings through themed rides and new experiences to attract a wider demographic, including younger audiences. He intends to develop blogs and feature articles to position the railroad as an authority on history and steam railroading.

Discussion

- Tom Stewart asked when the new marketing initiatives would take effect—this winter or closer to next season. Robert responded that planning and budgeting are already in progress, and the biggest changes are underway now. Most of the marketing rollout will occur next spring, once teams are fully established.
- Tom also asked about social media posting. Robert noted that several upcoming events, such as the tree lighting, are being promoted. Passengers are sharing their experiences online, and the railroad is improving its responsiveness. Maintaining an active year-round social media presence, he said, is a key priority.

Partially transcribed by Sam Seiber

Cumbres & Toltec Scenic Railroad — Interim CEO Report: Eric Mason

11.1.25

2025 Overview

- The year started off rough but improved as the season went on.
- Focus has been on reliable locomotives, solid track conditions, and improving operations.
- 2025 ridership was 29,333 (down from 37,000 in 2024), but revenue per guest was strong.
- Decline due partly to fewer international visitors and fewer 'historic core' riders; families and younger audiences are now the growth focus.

Business Focus & Future Vision

- The railroad must operate more like a business, balancing preservation with new, creative experiences.
- 2026 will be about redefining the vision—honoring the past while expanding offerings for new audiences.
- Shorter rides (2–4 hours) will attract families and visitors who find the full trip too long.

New Experiences & Product Development

- 2025 introduced Dark Sky Trains (stargazing and full moon themes); one was sold out, one less popular.
- Other successful special trains: wine, beer, and dinner trains.
- Future ideas include poker, mariachi, and chuck wagon dinner trains, plus returning favorites like the botany & geology train.
- Pilot programs will test and refine new experiences.

Guest Experience & Infrastructure

- Plans to upgrade facilities like the Cumbres Pass pavilion and roundhouse.
- Historically, guest amenities were minimal; new focus is on modern comfort, improved retail, and better reservation technology.
- Retail spending potential is strong (average fall visitor spends around \$1,000).
- Staff training will emphasize understanding how funding works, including state and grant sources.

Finances & Funding

- The 2026 master budget is being developed with more proactive communication to both states.
- Grant and alternative capital funding will be key as traditional sources tighten.

2026 Schedule & Operations

- One train per day, alternating direction: Antonito → Chama one day, Chama → Antonito the next.
- Buses will handle return trips.
- Fall season will again have daily departures from both ends for leaf season.
- This schedule will reduce wear on locomotives and cars, prevent crew burnout, and free up equipment for special trains.

Staff & Crew

- Crews were overworked in 2025; new schedule gives them rest time.
- Goal is a balance between hours, rest, and fair pay.
- Employee pride and guest interaction remain strong points.

Pricing & Ridership

- 2024–2025 fare increases led to some ridership loss; pricing will be reevaluated.
- Premium vs. coach tiers will remain but adjusted to stay accessible to families.
- Cumbres Express (shorter ride) may see lower fares to attract family riders.

Community & Marketing

- The railroad aims to drive traffic into local communities and partner with local events and vendors.
- Plans for lodging and ride packages, especially for evening trains.
- Chama's water issues are resolved—important to reassure riders and Friends of the C&TS volunteers.

Christmas & School Trains

- Christmas trains planned with more lights and decorations; four departures per side per day.
- School trains on Mondays at \$5–\$10 tickets to engage local families and students.
- Goal: build long-term ridership and community engagement.

Long-Term Goals

- Broaden demographics: attract families and younger travelers.
- Emphasize 'experiences' over just the train ride—culinary journeys, photography trips, heritage events, and family adventures.
- Build ridership over time through consistent quality and creative programming.

Cumbres & Toltec Scenic Railroad: Local Affairs

11.1.25

Commissioner Smith Casford began by expressing optimism that the surrounding communities would embrace the changes being implemented by the Railroad, acknowledging that such transitions can often be met with apprehension. She observed that the Railroad had become somewhat complacent in recent years, and the current initiatives are intended to position both the Railroad and the regional communities for continued growth and long-term sustainability. She extended her appreciation to Mayor Vigil for his ongoing support and stated her hope that this cooperative relationship would continue to strengthen.

During the discussion, John Bush inquired whether any local restaurants or lodging establishments had committed to remaining open during the upcoming Christmas train operations. Eric responded that no commitments had yet been secured and identified a key challenge—how the community of Chama will accommodate and provide meals for visitors during the holiday events.

Commissioner Graybill noted that the Railroad and the community are closely interdependent, describing their situation as a “catch-22.” He emphasized that the success of Chama and the success of the Railroad are mutually reinforcing, and that growth in one will directly benefit the other. As the Railroad attracts more visitors, he observed, local businesses will be strengthened and new opportunities for economic development will emerge.

Mayor Vigil reaffirmed his commitment to Chama’s growth and progress. He reported that three new restaurants have opened within the past year and that the local BBQ establishment, though in the process of changing ownership, is expected to continue operations. He expressed his vision of a revitalized Main Street filled with thriving businesses.

Mayor Vigil also recommended that the Commission coordinate with the New Mexico Department of Transportation, which plans to invest approximately \$32 million in improvements along Chama’s Main Street. The project includes the construction of sidewalks on both sides of the roadway and is being designed to minimize disruption to existing businesses. He emphasized the importance of the Railroad providing input on design considerations to ensure that the improvements align with the Railroad’s operational and visitor needs.

Partially transcribed by Sam Seiber

Cumbres & Toltec Scenic Railroad: Capital Projects Report

11.1.25

Commission Appropriations

Background – C&TS State appropriations

Ticket revenue does not cover all the railroad expenses. The railroad could not operate without the appropriations from the states of Colorado and New Mexico. Ticket revenue covers the rail operation costs for the summer but does not cover capital investments. The two states provide funding into two distinct pools. The RR relies on these appropriations from both states to be able to operate.

Appropriations from both states fund the Commission operations. This money pays for the property insurance that protects the investment the states have made in the real physical property like buildings, bridges, cars and locomotives. This pool also pays for the annual financial audit required by both states. This amounts to approximately \$700,000 for the current fiscal year. The Commissioners are not compensated for their work.

The second set of state appropriations fund capital investments. This pool of funds pays for the track upgrades, heavy locomotive work and revenue passenger car refurbishments and new cars. This fiscal year each state has provided about \$1 million into the capital appropriation pool of funds. A large portion of this money funds the improvements in the track infrastructure to comply with the Federal Railroad Administration's requirements for safe operations. This fiscal year the track budget is about \$14,000 per mile or about \$900,000 for track maintenance. A one-time project at Long Creek to repair the culverts cost \$400,000. The project was originally budgeted at \$800,000. Locomotive work to comply with the Federal Railroad Administration requirements under 49CFR230 are a very significant cost of operating a steam powered railroad. As an example, the 484 has reached the end of its 1,472 service days as set forth in the Code of Federal Regulations. We are budgeting \$2 million for its overhaul to be compliant with the rules for steam locomotives. That equates to about \$1,350 per service day of operation. The 484 will be set aside until capital funds are available to return the locomotive to service. The 463 will need a 1,472 service day inspection during the winter of 2027-28. We do not expect the overhaul of this locomotive to be as costly as 484's. As the fiscal rules of both states have evolved, the railroad is being required to expend all the capital appropriations in the year it was appropriated, or the funds will be lost. In prior years, in most cases, these funds could be carried over for two additional years

The Commission has over the past several years been seeking private grants and donations to fund the capital needs the states have not been able to support. The restoration of

locomotive 492 has already received \$500,000 in private donations. The Commission announced a matching grant of \$50,000 from the Candelaria fund. For every additional dollar donated to the 492, the Candelaria fund will match it dollar for dollar up to \$50,000.

The Candelaria fund is also providing \$100,000 toward the construction of an additional premium class passenger car.

Work on the historic wooden freight car fleet has been assigned by the Commission to the Friends of the Cumbres and Toltec. The Friends provide the funding and the volunteer labor needed to maintain the fleet of 176 wooden freight and maintenance of way equipment. A portion of the Historic Preservation Fee added to passenger tickets is transferred each year to assist the Friends with maintenance of the fleet of cars. The funding provided from the Historic Preservation Fee is not adequate to maintain this large fleet of railcars. The Friends of the C&TS have agreed to complete the work on Pay Car F using volunteer labor. This change also will reduce the state capital appropriation needs of the railroad by allowing volunteers to complete this project.

Payroll is the single greatest expense on the railroad. Insurance costs to Cumbres Toltec Operating LLC and the C&TS Commission represent the second greatest expense. The railroad does not receive any special insurance rates attributed to the ownership by the two states. The railroad cannot participate in either state's insurance pools to reduce costs. The 416 fire impacted the cost of liability insurance. The C&TS's liability insurance carrier elected to exit the market after this wildfire. The replacement insurance provider is about twice as expensive for similar coverage. The liability coverage is paid for through ticket revenue.

Cumbres & Toltec Scenic Railroad: TABB: John Bush
11.1.25

The continental divide signs between Chama and Dulce have been replaced through the efforts of the State of New Mexico. Additional logoed directional signs are also being developed for use within the state. With the Railroad's new strategic direction, improved signage along the Tracks Across Borders Byway (TABB) provides visitors with another reason to extend their stay in Chama.

Two new signs will be installed in Dulce, with two additional signs being stored for future use. There is also interest in creating a new interpretive sign in Chama to help generate greater public interest in the byway.

A new sponsorship program has been launched, though participation is currently limited, with only one confirmed sponsor to date. TABB is collaborating with the Jicarilla Apache Nation to acquire two replacement stock cars for the Dulce display, as the existing cars have deteriorated significantly. The tribe has agreed to dismantle the current cars, salvaging usable metal components for the Friends organization once replacements are secured. It is hoped that the Jicarilla Apache Nation will continue to maintain the display to preserve its appearance in the future.

The Jicarilla Apache Nation is currently identifying funding sources to support the project. Commissioner Smith-Casford inquired about the origin of the replacement cars. John responded that they are expected to come from the Rio Chama Campground, where some materials need to be relocated. Discussions are underway with the campground to develop a mutually beneficial arrangement.

Partially transcribed by Sam Seiber



REPORT TO THE CUMBRES & TOLTEC SCENIC RAILROAD COMMISSION

November 1st, 2025, 9:00 AM

Village of Chama Chamber, Chama, New Mexico

Recaps of the Friends activity this Year 2025

Friends Annual Audit

The Friend's audit has been completed and forms 990 filed.

Work sessions 2025 season

The 2025 work session season ran from late May through the end of October.

Our Volunteer ranks have worked on 16 various rail cars, 3 completed turned over to the railroad, and inspected & repaired brakes on 20 cars. The complete rebuild of the B&E Car #168 at Colorado Springs facility continues now with working on the roof and clerestory windows.

Historic buildings that have been worked on include: Lava Pump House, Cumbres Car Inspectors House, Sublette Log Bunk House, Osier Station, Cumbres Speeder shed #1, and the walking pathways at Cumbres.

8 of the telegraph booth have been rebuilt, and placed back into locations, with the balance of 3 booths waiting for reinstallation. The MoW team replaces 3 mileposts and have prepared mileposts for 2026 installation.

The Chama crew worked on the Sign garden, and Depot gardens.

The Chama web cams are back in operation, with newer electronic support, and greater Internet band width for better viewing!

Locomotive #483 cosmetic Restoration is nearing completion, finish is expected in 2026.

Friends C&TSRR Charters

The Friends completed their 33rd Moonlight and Wine train in August, with all on board relaying their complements on the train ride, wines, and the train crew!

The Friends Fall 2 Day Photo Charter, has just completed at the end of October. All passengers enjoyed 2 chilly mornings, followed by clear blue skies great photo runbys by the railroads K36 #487, #488. This charter exceeded photographers' expectations!

THANK YOU TO ALL the C&TS RR STAFF AND CREWS THAT MAKE THE MAGIC HAPPEN!

Memberships, Volunteers, Docents, and Social Media

The Friends' current membership levels have stabilized, and is now at 1,766 active members. With the coming end of year campaigns, we see increased activity. The first half of the year has been a roller coaster for memberships. Our current Friends Volunteer crew staffing has risen this year to 189 active members.

The number of Registered Docents this year has risen to 27 docents.

THANK YOU TO ALL OF OUR DEDICATED MEN AND WOMEN VOLUNTEERS AND DOCENTS

THAT MAKE THIS HAPPEN FOR THE FRIENDS AND THE CUMBRES & TOLTEC RAILROAD!!

Our **social media** team leader reports that our Facebook followers increased by 27% over the same period from January through September compared to the same period in 2024.

YouTube channel viewers for January through September 2025 period are 77,573, with 573 viewer watch hours.

Respectfully Submitted,
Rick Marsden President, FCTSR

**MEMORANDUM OF AGREEMENT
BETWEEN THE
STATE OF NEW MEXICO, ENERGY, MINERALS AND
NATURAL RESOURCES DEPARTMENT
EMNRD AND
CUMBRES AND TOLTEC SCENIC RAILROAD COMMISSION**

THIS MEMORANDUM OF AGREEMENT (MOA) is made and entered into by the State of New Mexico, Energy, Minerals and Natural Resources Department (EMNRD), EMNRD and Cumbres and Toltec Scenic Railroad Commission (Entity).

WHEREAS, EMNRD from time to time receives funds from the State of New Mexico (State) and United States Department of Agriculture (USDA) or other federal agencies to mitigate the threat of wildland fire and improve forest and watershed health;

WHEREAS, Entity has all powers necessary to effectuate the provisions of the Cumbres and Toltec Scenic Railroad Compact under the Cumbres and Toltec Scenic Railroad Act, NMSA 1978, Sections 16-5-1 to -7, and Section 16-5-13, in part, to "promote the public welfare by encouraging and facilitating recreation and by preserving, as a living museum for future generations, a mode of transportation that helped in the development and promotion of the territories and states" to "make provision of the Cumbres and Toltec scenic railroad."

WHEREAS, EMNRD and the Entity desire to enter this MOA for administrative efficiency so the projects detailed in individual approved Work Plans can be carried out through a single program.

NOW, THEREFORE, IT IS MUTUALLY AGREED BETWEEN THE PARTIES THE METHOD BY WHICH THIS PURPOSE SHALL BE ACCOMPLISHED IS AS FOLLOWS:

1. Both parties agree as follows:

A. Wildland Urban Interface (WUI) and Hazardous Fuels Reduction (HAZ) Grant Programs projects, shared stewardship projects, or other fuels reduction projects or forest health projects conducted under this MOA shall involve work that emphasizes improving, restoring, or replanting watershed areas or forests on public and private land; the development of defensible space for individual homeowners; development of fuel breaks along common boundaries between private and public land; and assisting with thinning of individual lots and subdivision groups. There may be multiple projects conducted as part of this MOA. Each project to be conducted under this MOA shall follow the attached Work Plan (Exhibit A), as may be amended from time to time.

B. The Entity, or if work is performed pursuant to Section 3.A.2) or 3) EMNRD or its contractor, shall perform no work until the Work Plan is in place and EMNRD issues in writing, a Notice to Proceed.

2. The Entity shall:

A. Consult with EMNRD and request the work to be performed based upon the needs of the Entity to improve natural resources on the Entity's lands through the performance of natural resource restoration. Such work shall be performed in those areas that have the greatest impact on mitigating the threat of wildfires and improving forest and watershed health. Entity shall coordinate its projects with activities being conducted by other entities on adjacent or nearby lands where feasible.

B. Work with EMNRD to prepare a Work Plan for each individual project for consideration. The Entity and EMNRD shall sign a Work Plan for each proposed project prior to the Entity, or EMNRD, or its contractor, commencing work on the project.

C. If the Entity will conduct the work pursuant to Section 3.A.1), provide a written activity report of work completed as set forth in the Project Work Plan.

D. If the Entity will conduct the work pursuant to Section 3.A.1), provide the Division with invoices for payment supported by detailed certified statements of account documenting the services rendered for each payment as necessary but no more frequently than on a weekly basis.

3. EMNRD shall:

A. Either:

1) reimburse the Entity out of federal grant or state funds for all reimbursable costs the Entity incurs to conduct an approved project, incurred under this MOA for materials and labor in an amount not to exceed the limit set in the approved Work Plan for projects where the Entity conducts the work using Entity employees or pays a contractor who is under contract to the Entity;

2) pay directly to a contractor, under contract to EMNRD and approved by the Entity, for all costs incurred for an approved project under this MOA for materials and labor in an amount not to exceed the limit set in the approved Work Plan; or

3) perform the work to conduct an approved project itself using EMNRD employees or crews and retain funds.

If EMNRD and the Entity agree to use option 2 or 3 above, EMNRD shall obtain the Entity's prior written approval to conduct the project by securing the Entity's approval signature on the Work Plan.

EMNRD shall indicate the financial mechanism chosen for project (*i.e.* reimbursement, transfer of funds, or direct payment) in the approved Work Plan. Additionally, if the Entity conducts the project pursuant to Section 3.A.1), reimbursement

is contingent upon the Entity expending matching funds, if any, as set forth in the approved Work Plan. The matching amount shall be determined by EMNRD and documented in the Work Plan.

B. If the Entity conducts the project pursuant to Section 3.A.1), make all disbursements for costs by voucher supported by approved purchase order or equivalent document and invoice from the Entity evidencing the propriety of each payment. Amounts charged for personal services will be based on payrolls maintained by the Entity and supported by time and attendance sheets.

C. Provide overall guidance on goals and objectives for forest insect and disease and forest health program activities on state and private lands in New Mexico.

D. Inspect project implementation and certify whether work complies with the applicable Work Plan.

4. **Effective Date and Term:** This MOA becomes effective when both parties have signed below, and shall continue indefinitely unless earlier terminated pursuant to Section 5, Termination, or Section 6, Appropriations, below.

5. **Termination:** Either party may terminate this MOA upon written notice delivered to the other at least 10 days prior to the intended termination date. By such termination, neither party may nullify or avoid any obligation required to have been performed prior to termination.

6. **Appropriations:** The terms of this MOA are contingent upon the New Mexico State Legislature and USDA or other federal agency granting sufficient appropriation and authorization for the performance of this MOA. If sufficient appropriation or authorization is not granted, either party may terminate this MOA, or suspend performance pending approval of sufficient appropriation or authorization, upon written notice from one to the other. Either party's decision as to whether sufficient appropriations are available shall be final, binding, and accepted by the other.

7. **Subcontracting:** The Entity may subcontract the portions of the work as specified in approved Work Plans. When federal funds are used:

A. the Entity shall comply with 2 C.F.R. 200.317 through 200.327 for procurement of property or services conducted pursuant to this MOA; and

B. any subcontract shall include all provisions necessary to allow the Entity to meet its obligations and requirements under this MOA and all provisions required by law.

8. **Strict Accountability for Receipts and Disbursements:**

A. The Entity shall be strictly accountable for receipts and disbursements

relating hereto and shall make all relevant financial records available to EMNRD, the Department of Finance and Administration, the New Mexico State Auditor, and USDA or other federal agency upon request, and shall maintain all such records for six years after the funding for each individual approved Work Plan has expired or has been terminated.

B. If the Entity receives \$1,000,000 or more in federal funding from all sources in the aggregate in a fiscal year, the Entity's financial records involving services and procurement under this MOA shall be audited annually pursuant to all federal, state and local government audit requirements, and in accordance with the Single Audit Act Amendments of 1996, 2 C.F.R. 200, Subpart F – Audit Requirements, OMB Circular Compliance Supplement and Government Auditing Standards, as prescribed by the Single Audit Act of 1984, or any subsequent OMB Circular. Entities who do not meet the \$1,000,000 audit threshold (Tier 7), must complete the State of New Mexico – Office of the State Auditor Certification Form for Tier 1 and Tier 2, or the Office of the State Auditor Agreed Upon Procedures (Tiers 3-6) in accordance with the Audit Act, NMSA 1978, Sections 12-6-1 through 12-6-14. To comply with state audit requirements, the Entity shall have one of the above-mentioned Forms or Agreed Upon Procedures on file with the Office of the State Auditor. The Entity shall provide EMNRD with a copy of the independent financial audit, either in hard copy format or on an external/portable data device, drive or approved cloud-based storage no more than 45 days after the audit's completion for each fiscal year this MOA is in effect.

9. **Disposition, Division, or Distribution of Property; Return of Surplus Funds:** Upon expiration or termination of this MOA, if either party has property or funds in its possession belonging to the other, it shall return the property or funds in proportion to the parties' original contribution.

10. **Equal Opportunity Compliance:** The Entity agrees to abide by all federal and state laws and rules and regulations, and executive orders of the Governor of the State of New Mexico, pertaining to equal employment opportunity. In accordance with all such laws of the State of New Mexico, the Entity assures that no person in the United States shall, on the grounds of race, religion, color, national origin, ancestry, sex, age, physical or mental handicap, serious medical condition, spousal affiliation, sexual orientation, or gender identity be excluded from employment with or participation in, be denied the benefits of or be otherwise subjected to discrimination under any program or activity performed under this MOA. If the Entity is found not to be in compliance with these requirements during the life of this MOA, the Entity agrees to take appropriate steps to correct these deficiencies.

11. **Compliance with Funding Source Conditions:** The Entity shall comply with all applicable state and federal statutes and rules and regulations and those the funding source imposes.

12. **Insurance Coverage:** By signing this MOA, the Entity certifies activities described in Section 1 above are covered by insurance as specified within this Section,

secured in accordance with any method allowed by applicable law, including self-insurance, pooling of self-insured reserves, or insurance provided by a third party. The Entity shall maintain continuous insurance coverage as specified below of the activities described in Section 1 above so long as this MOA is in effect. Failure to maintain such coverage is reason for this MOA's immediate termination. The Entity shall notify EMNRD prior to cancellation or expiration of any insurance required under this MOA.

A. Worker's Compensation protection that complies with the requirements of the Workers' Compensation Act, Chapter 52, Article 1 NMSA 1978,, if applicable. If the Entity fails to comply with the Workers' Compensation Act and applicable rules when required to do so, EMNRD may terminate this MOA.

B. Comprehensive public liability protection covering property damage and personal injury liability that may arise under this MOA and any amendments hereto, in amounts equal or greater than liability limits set forth in NMSA 1978, Section 41-4-19, as it may be amended from time to time.

13. **Amendment:** This MOA shall not be altered, changed, or amended except by instrument in writing executed by the parties hereto.

14. **Liability:** Neither party shall be responsible for liability incurred as a result of the other party's acts or omissions in connection with this Agreement. Any liability incurred with this Agreement is subject to the immunities and limitations of the Tort Claims Act, NMSA 1978, Sections 41-4-1 through 27..

15. **Worker's Compensation:** The Entity and its Contractors, when applicable, agree to comply with state laws and rules, including the Worker's Compensation Act Chapter 52, Article 1, NMSA 1978, as applicable, to Worker's Compensation benefits for its employees. If the Entity or its Contractors, when applicable, fail to comply with the Workers' Compensation Act and applicable rules when required to do so, EMNRD may terminate this Agreement.

16. **Severability.** If any term or condition of this Agreement shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected and shall remain valid and enforceable.

17. **Jurisdiction:** The laws of the State of New Mexico shall govern this Agreement, without giving effect to New Mexico's choice of law provisions. Venue shall be proper only in a New Mexico court of competent jurisdiction in accordance with NMSA 1978, § 38-3-1(G). By execution of this Agreement, both Parties agree to the exclusive jurisdiction of the courts of the State of New Mexico over any and all lawsuits arising under or out of any term of this Agreement.

18. **Notice:** Any notice required or permitted to be given under this Agreement shall be in writing, shall specifically refer to this Agreement, and shall be addressed to the other Party as specified below. Notice shall be deemed to have been

given on the date sent when sent by email; or by date received when sent by Certified Mail through the United States Postal Service.

	CONTACT PERSON/ ACCOUNT	EMAIL	ADDRESS
State of New Mexico, Energy, Minerals and Natural Resources Department	General Counsel, EMNRD, Office of the Secretary	N/A post mail only	1220 S St Francis Dr, Santa Fe NM 87501
Cumbres and Toltec Scenic Railroad	Eric Mason, CEO	emason@cumbrestoltec.com	PO Box 1057 Chama, NM 87520

[Signatures are on next page.]

IN WITNESS WHEREOF, the parties have herein set their hand.

**STATE OF NEW MEXICO, ENERGY, MINERALS AND NATURAL RESOURCES
DEPARTMENT**

By: _____ Date: _____
Cabinet Secretary or Designee

CUMBRES AND TOLTEC SCENIC RAILROAD COMMISSION

By: Billy Elbrock Date: 11/1/25
Billy Elbrock, New Mexico Commissioner or Authorized Representative Signature

BILLY ELBROCK CHAIR
Printed Name and Title

By: W. Scott Gibbs Date: 11-1-25
W. Scott Gibbs, Colorado Commissioner or Authorized Representative Signature

W. Scott Gibbs, Vice Chair
Printed Name and Title

By: Kim Smith-Casford Date: 11.1.25
Kim Smith-Casford, New Mexico Commissioner or Authorized Representative Signature

Kim Smith Casford, Secretary
Printed Name and Title

By: Mark Graybill Date: 11/1/2025
Mark Graybill, Colorado Commissioner or Authorized Representative Signature

Mark Graybill Treasurer
Printed Name and Title



Cumbres & Toltec Scenic Railroad Commission

Resolution 2025-002

A Resolution to Adopt an Open Meeting Policy

WHEREAS, the Cumbres & Toltec Scenic Railroad Commission met in regular session at Chama, New Mexico on November 1, 2025 at 9am as required by law;

WHEREAS, it is the desire of the Commission to honor the intent of the New Mexico and Colorado Open Meetings Acts;

WHEREAS, any meeting subject to Open Meetings Act at which the discussion or adoption of any proposed resolution, rule, regulation or formal action shall be held only after reasonable notice to the public;

WHEREAS, The Commission is required to determine annually what constitutes reasonable notice of its public meetings and the Commission desires to establish its 2026 regular meeting schedule;

NOW, THEREFORE BE IT RESOLVED that:

1. Meetings shall be held at alternating locations, between New Mexico and Colorado, at 9am, or as indicated in the meeting notice.

2. Unless otherwise specified, regular meetings shall be held on February 7, April 25, August 15, and November 7, 2026. The meeting agendas will be available at least 72 hours prior to the meeting from the Commission, whose office is located at 5250 US Hwy 85, Antonito, Colorado, or the satellite office at 500 Terrace Ave, Chama, New Mexico. The agendas will also be posted at the United States Post Office in Antonito, Colorado and Chama, New Mexico and on the Commission's website at:

<http://commission.ctsrr.com>

3. Special meetings may be called by the Chairman or a majority of the members of the Commission upon three days' notice. The notice shall include an agenda for the meeting OR information on how a copy of the agenda may be obtained. The agenda will be available at least seventy-two hours before the meeting and posted on the Commission's website at: <http://commission.ctsrr.com>. Personnel issues can be addressed in an executive session at a special meeting.
4. Emergency meetings will be called only under unforeseen circumstances that demand immediate action to protect health, safety, and property, or to protect the Commission from substantial financial loss. The Commission will avoid emergency meetings whenever possible. Emergency meetings may be called by the Chairman or a majority of the members with twenty-four hours' notice unless threat of personal injury or property damage requires less notice. The notice for all emergency meetings shall include an agenda for the meeting OR information on how the public may obtain a copy of the agenda.
5. For the purposes of regular meetings described in Paragraph 2 of this resolution, notice requirements are met if the date, time and place and agenda is posted at the United States Post Office in Chama, New Mexico, and Antonito Colorado, and posted on the Commission's website at: <http://commission.ctsrr.com>.

6. For the purposes of special and emergency meetings described in Paragraph 3 & 4 of this resolution, notice requirements are met if the date, time and place and agenda is posted at the United States Post Office in Chama, New Mexico and Antonito Colorado, and posted on the Commission's website at:

<http://commission.ctsrr.com>.

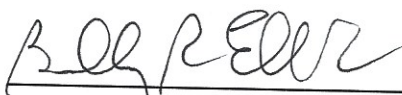
7. Official minutes will be posted on the Commission website at:

8.

<http://commission.ctsrr.com/minutes>

9. The Commission may close a meeting to the public if the subject matter of such discussion or action is excepted from the Open Meeting Acts requirements, including but not limited to limited personnel matters, attorney-client privilege pertaining to threatening or pending litigation, and discussion of the purchase, acquisition or disposal of real property or water rights by the Commission. No action will be taken by the Commission in a closed session. The Commission may revise the order of the agenda items being considered.

Passed by the Cumbres & Toltec Scenic Railroad Commission this 1st day of November 2025.



Billy R. Elbrock, Chairman



Mark Graybill



W. Scott Gibbs



Kim Smith Casford



Cumbres & Toltec Scenic Railroad Commission

Resolution 2025-003

A Resolution to Adopt a Policy for Memorials and Cremains

WHEREAS, the Cumbres & Toltec Scenic Railroad Commission ("Commission") serves as the steward of the Cumbres & Toltec Scenic Railroad, a National Historic Landmark; and

WHEREAS, the Commission recognizes the deep emotional connection many individuals and families hold with the Railroad, leading to requests for memorials, plaques, benches, and the scattering of cremated remains; and

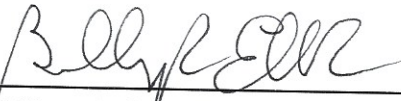
WHEREAS, the Commission has a responsibility to balance these personal wishes with the preservation, safety, and operational integrity of the Railroad;

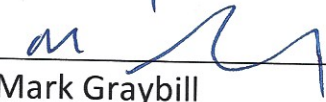
NOW, THEREFORE, BE IT RESOLVED BY THE CUMBRES & TOLTEC SCENIC RAILROAD COMMISSION THAT:

Implementation

The CEO/GM of the Operating Company is authorized and directed to take all actions necessary to implement this policy, including the creation of procedures, forms, and communication to the public.

ADOPTED AND APPROVED this 1st day of November, 2025.



Billy R. Elbrock, Chairman

Mark Graybill

W. Scott Gibbs

Kim Smith Casford