

C&T Commission meeting, 21-Apr-15. This document is how I, Sam Seiber, attendee, understands what happened. Steve Forney publishes the full video of the meeting. I use the audio from the session to write up this summary. This is NOT any kind of official document. This is a document I prepared from my view as an attendee. I represent no one other than myself. The purpose of this document is to provide the details of the meeting in written form. The video that Steve provides is a documentary of the meeting with no interpretation of what happened.

Dan Love (commissioner, CO) began thanking the attendees for being present. At this point, no one signed up for public comment. Pledge of allegiance done.

Stephanie Gray (commission employee) received acknowledgment of 9 years of fine work for the C&T and its commission. She is leaving her work with the C&T.

Meeting was run a little bit out of order from the agenda due to time considerations of the attendees. The meeting started off with a report from Jeremy Rutherford, NM lobbyist. He gave his report before the meeting was officially called to order as he had other work to do in Albuquerque soon after the commission meeting.

Jeremy: (editor notes, I don't understand the NM legislator structure. I may have some details wrong) The capital outlay from the full NM legislative resulted in no money for the C&T. Individual legislators have some funds to issue as they desire. Of the \$1M request, the C&T received 1/80<sup>th</sup> of the money requested. Fund reduction was due to the reduced income to NM from oil & gas money. There was very little money from NM last year. (ed: no real money has gone to the C&T over the last 2 years from NM). Last year, the governor of NM put money to NM water projects, this year, road projects. Jeremy sees no reason that the C&T has been singled out for reduction in funds.

Commissioner Randall (NM) pointed out how other receivers of capital money didn't get anything either.

Jeremy: Capital outlay funds: (Don't nick me for spelling errors here) Of funds individual legislators can offer: Sand house, Debbie Rodelia. Sublette Water tank, Rep: David Giegos, Senetor Martinez, visitor center funds match. Begining work to get capital money on the NM side as a budget line item as CO does.

At this point, Dan Love offically called the meeting called to order. Followed by introductions.

Minutes from January 21, 2015 approved.

Agenda item 5 a&b (Operations & Maintenance):

a: Train operations Report-John Bush:

Shot a commercial for Carhart in January in Chama. Shot some stuff for Game of Thrones. Shot some stuff for Discover Channel, Gunslingers. Operated a 3 day charter last March out of Antonito to Sublette. Each charter/photo shoot added funds to the RR. The RR has been fully opened. All equipment will run on opening day w/fresh paint & clear coat (ed: the cars already complete look great). Full schedule planned to run this year. 12 sunset dinner trains vs. 8 last year. A concert in June this year. Early April, school children out of Anonito helped clean up the unauthorized dump at around mile marker 283.

Next, realignment of the track at Cascade trestle to comply with load limits. A few bridges east of Lava have been addressed. They have done the 1472 day inspection on locomotive 487. Final inspections

done by May 5. All 5 locomotives on the C&T will be ready for service on opening day.

Agenda item 5c, John Bush, reservations:

Up 11% on coach tickets (from same date last year & 2013)

Up 30% on tourist reservations

Up 26% on Parlor car

Total from last year at this time, up 19%

Total bookings now, 4740 people

5.d Marketing, Lee Bates Mgr of marketing & communications

Breakdown of current reservations by state: CO 21% NM, 13%, TX 12% which is 47% of our reservations.

Focusing marketing on the east/west corridor, Hwy 50 south, as well as the I-25 corridor in CO. Co Spgs becoming a marketing target, Loco 168. CO spgs being where William J. Palmer started that city. Loco 168 will be restored by donations from the public, and not ticket revenue.

There will be special media day trains on the RR. First will be May 12 & 13 out of Antonito. May 29 & 30, there will be another media day.

Ticket Jacket Project. Merchants in the Chama Valley Chamber & Conejos county Chamber, & The San Luis valley tourist association to have their advertising in a ticket jacket issued to each set of tickets issued. All 80 spots available have been sold.

Some new people on the public relations team: Joy Meadows & Rich Grant. Each has a large list of contacts and have gotten the media days off to a great start.

Randy Randall asked if the PR team has any metrics they will be measured against. He also wanted to be sure that the marketing in CO was gaining the ridership increase, and that marketing in the other close states was not being "ignored". Lee confirmed that marketing in NM, OK & TX is very much still important.

John Bush followed up, line item budget for marketing has increased. That is to address the increase in CO marketing without cutting the other states. Part of the marketing plan is to offer the residents of CO Spgs a discount to ride the C&Ts, not just on the 168.

Randy Randall then asked John Bush about the impact on the C&Ts if the lack of funding from NM occurs for this year. Randy pointed out that without a special session called by the NM governor, there is no chance of gaining NM funds. John went on to reply to the question. The track project is one area to be effected, and the locomotive project. No good options on the table. This season will have a full run. With a slowdown in tie & ballast replacement, that would result in more slow orders as the season progresses. A negative customer experience. The 488 would be parked until funds become available, leaving a 4 locomotive fleet for 2016. This would also reduce the engine house staff over the coming winter. 2016 could be operated with a 4 locomotive fleet. The remaining locomotives would have several years remaining, 5 years out. Without 488, maybe 4 years out.

6a-Finance Report, George Canham

Streamlining the accounting process thanks to help from Ed Baudette. Generating a new chart of accounts. Next month, the accounting report is due to NM for their annual review which is required for the general fund appropriation, which was not affected by the capital fund appropriation. A new audit

firm will be selected this year as required. The audit firm changes between states as required every 3 years. New chart of accounts begins July 1. 90 accounts cut from the chart of accounts. Makes the whole process easier. Many of those accounts were duplicates. As the end of march, revenues were down from budget, but expenses were also down. There was a tiny growth in operating profit.

#### 6b. Capital Projects Report-John Bush & George Canham

John pointed out how some of this was already discussed at the end of 5d, above. At this point in the meeting, between John Bush & Dan Love, lack of further funding from the states will put the C&Ts into a very tight squeeze. John Bush pointed out that the efficiencies gained by management & employees have helped get through the lack of funding.

At this point, John Love had the new attendees introduce themselves.

Next on the agenda, the commissioner reports.

#### 7a. Chairman Report-Dan Love

The appropriation for the CO side sits on the governors desk to be signed. There is no sign of that not going through. The Byway road (an existing set of roads from Chama to Durango) project is mostly through CO, and now waiting for NM to approve their half.

Steve Caverman (ed: don't know about spelling of his name) further explained the project. He represents the Tracks Across Borders (the name of the byway). Approved by the CO transportation commission. A double sided sheet was available to attendees about the byway. It is not on line at this time. The NM side votes on their side May 21. An across borders ribbon cutting is hoped to done sometime in June this year.

#### 7b. Vice Chairman Report – Randy Randall

Not much to report. We have heard about the NM capital funding. The Governors conference on tourism will be occurring in Sante Fe this year (Apr 27). On Apr 30, there will be a celibate tourism day. The C&T will have a booth there.

#### 7c. Secretary Report- Pete Foster

Got status of section houses. Thanks to Keith.

#### 7d. Treasurer Report-Billy Elbrock

Nothing to report

#### 8a- Friends of the C&TS report – Tim Tennant

Mentioned upcoming work sessions. Trying to get materials out faster to the members. Tim & Bob Ross going to a regional meeting in Union Illinois . Helps keeps those members engaged. Annual meeting coming up Friday the 19<sup>th</sup>. The Friends will be attending the Garden RR society in Denver in July. In September, the narrow gauge will be in Houston. The commissioners were given a copy of the Friends fund raising brochure (ed: I had my copy when I got home from the meeting).

Randy Randall then asked: When you do these meetings, do you do a drawing of some sort, to help collect contact information (at conventions, not Friends meetings)? Tim replied, that if the C&Ts wants to provide tickets, the Friends could use that as a prize, while collecting contact info (eg: e-mail addresses). Tim thanked the commission for them allowing them to do what they do. The commission also thanked the Friends for them doing their fine work for the RR.

Dan Love then followed up by asking Tim about gaining the status of “World Heritage Site”. Dan felt that that that status would put the C&Ts as “The Steam historic railroad” of the US. This would put the

C&Ts on a huge bucket list. In CO, just shared by Mesa Verde. Tim reported that this process is still ongoing, and probably would not be done for about 10 years. Randy Randall remarked that Sante Fe is a World Heritage City. There was further discussion, some of which was not clear in the audio.

Dan Love then asked about the status of historic sleeper car 470: There is working going on at least 2 Saturdays a month (per Tim). The Friends are raising funds for the effort. Tim reports the work on 470 is a high priority project. Dan Love also pointed out the new car repair facility separate from the one the Friends have.

#### 9. Unfinished Business:

None

#### 10. New Business

##### 10a. Tony (Anthony) Mortillaro, Executive Director Northern NM RTD

Bus service from Taos/Sante Fe to Chama. Last year, RTD provided service to Chama, Tue, Wed & Thur. As of March 14, Mon-Fri service to Chama. The RTD provides Fare Free service to Chama. Service provided from Sante Fe to Esponolia, then transfer to a bus to Chama, arriving at 9:40AM. The bus will leave Chama at 3:30. Allowing those people to ride the short train. (ed: I thought the short train runs just one day a week, the Cinder Bear train). The short train is the one that goes from Chama to Cumbres, riding the C&T bus back to Chama. Leaving those passengers time to shop Chama, to then to leave Chama at 3:30PM on the RTD. To ride RTD is free. There may be a cost to park in the park and ride of \$2. Randy Randall saw a chance to add 10 to 15 people a day to the C&T train using empty seats on the RTD. There are 2 stops in Chama, the senior center & across from the C&T depot.

##### 10b FY 15/16 CTO Budget.

Based on 35k riders for the year, and not any additional trains. \$3,538,500 anticipated revenue. Up from 33k+ riders 2014. Expenses expected \$3.8 million. Commercials, movie shoots are included in the budget as special trains. Randy would like to see the P/L done by individual trains for the special trains. Some of this audio was difficult to understand. Operations budget voted on. Official budget vote NOT documented here. Ed: passed.

##### 10c FY/16 Commission Budget.

Commission Budget is funded separately from the operation budget, thus a different vote. Official result of the vote is NOT document here. Ed: passed.

##### 10d Contract Amendment for Toltec Gorge Catering:

For contract ending Dec 31, 2015, base price of a meal increased by 25 cents. For actual meals served and 38,000 will be paid 1.57.5 per meal if under 38,000. Rebate, say if 5,000 meals short, the contractor would receive \$7,500 to offset the loss of business. Motion carried.

##### 10e Amendment to Policies and Practices regarding personal credit card use.

Amend policies and procedures to allow personal credit cards as a expense item when used for official commission travel purpose. Passed.

##### 10f Contract for community Relations Liaison Position

Kim Casford has been approved for the position. This is a contract position for the RR, and not an employee of the RR. Kim begins work on May 1. Passed.

#### 10g Adopt Resolution for Open Meetings

Motion to re-adopt the open meetings from last year. Passed.

#### 10h. Next Meeting, July 16.

Dan Love wanted to be clear that any discussion meetings were to only discuss topics. Actual decisions were done in the public commission meetings. No decisions are ever done in private. The next meeting is currently planned for July 16, but may be change 72 hours prior based on the open meetings voted on the item above. Antonito will will be the site of the next meeting.

#### 11 Other Business

Dee Bates-The commission owns the property across the street from where the territorial days is held. She would like to see that property turned into a miniature golf course with the theme of the train. She thinks she can find a funder. It wouldn't be worth the trouble if the commission wouldn't be there to help.