

NEVADA COMMISSION FOR THE RECONSTRUCTION OF THE V&T RAILWAY
Minutes of the Thursday, July 22, 2021 Regular Meeting
Page 1

A regular meeting of the Nevada Commission for the Reconstruction of the V&T Railway was held at 1:00 p.m. on Thursday, July 22, 2021, in the Community Center Robert “Bob” Crowell Boardroom, 851 East William Street, Carson City, Nevada.

The meeting video is available on Carson City’s website by clicking on the link below:
https://carsoncity.granicus.com/MediaPlayer.php?view_id=2&clip_id=1828

PRESENT: Chairperson David Peterson
Vice Chair Clay Mitchell
Treasurer Deny Dotson
Commissioner Stephanie Hicks
Commissioner Jim Wells

1. CALL TO ORDER

Chairperson Peterson called the meeting to order at 1:02 p.m.

2. ROLL CALL AND DETERMINATION OF A QUORUM

Roll was called and all members were present, establishing a quorum.

3. PLEDGE OF ALLEGIANCE

Chairperson Peterson led the Pledge of Allegiance.

4. PUBLIC COMMENT

Public comment was made available via telephone, (775) 686-9037. Chairperson Peterson entertained public comments; however, none were forthcoming.

MOTION:

5. FOR POSSIBLE ACTION: APPROVAL OF MINUTES – JUNE 24, 2021 V&T RAILWAY COMMISSION MEETING

Chairperson Peterson introduced the item and entertained comments, changes, or corrections.

Commissioner Wells commented that, on page 3, the motion was for consent agenda item number 7 not item number 6. Number 6 was approved on the previous page.

Mike Rowe commented that, on page 11 in the fifth paragraph on the third line, the word statue appears but it should say statute.

NEVADA COMMISSION FOR THE RECONSTRUCTION OF THE V&T RAILWAY
Minutes of the Thursday, July 22, 2021 Regular Meeting
Page 2

MOTION: Commissioner Wells moved to approve the minutes with the two changes identified. The motion was seconded by Treasurer Dotson and carried 5-0-0.

CONSENT AGENDA

Chairperson Peterson asked if other Commissioners would like to remove any items from the Consent Agenda.

Commissioner Wells requested that, going forward, he would like to see the monthly reports for the checks the Commission is approving match the period activity the Commission is seeing on the budget. This is easier to track than the Commission is approving everything that has been posted and paid. He would also like to make sure someone is tracking contract amounts, so the Railway is not overspending on the authority on our contract amounts. That way, if we are getting close to those authorities, we make an amendment in a timely manner.

Treasurer Dotson replied that he will talk with the comptroller about lining up the checks and the budget reports. However, it may be delayed a month because the two won't match if the reports are run right away. Commissioner Wells stated that he is fine with the delay as long as he can see that they match even with a timing difference.

MOTION: Commissioner Wells moved to approve the Consent Agenda. The motion was seconded by Vice Chair Mitchell and carried 5-0-0.

6. FOR POSSIBLE ACTION: DISCUSSION AND POSSIBLE ACTION REGARDING APPROVAL OF THE V&T STATEMENT OF ACCOUNTS PAYABLE CHECKS PAID JUNE 18 AND JULY 2, 2021

Chairperson Peterson introduced the item and entertained comments, changes, or corrections.

MOTION: Commissioner Wells moved to approve the V&T statement of accounts payable checks paid June 18 and July 2, 2021. The motion was seconded by Vice Chair Mitchell and carried 5-0-0.

7. FOR POSSIBLE ACTION: DISCUSSION AND POSSIBLE ACTION REGARDING APPROVAL OF THE ADJUSTED V&T FY20/21 BUDGET REPORT

Chairperson Peterson introduced the item and entertained comments, changes, or corrections.

MOTION: Commissioner Wells moved to approve the adjusted V&T fy20/21 budget report. The motion was seconded by Vice Chair Mitchell and carried 5-0-0.

END OF CONSENT AGENDA

8. ITEM(S) PULLED FROM THE CONSENT AGENDA WILL BE HEARD AT THIS TIME

**9. FOR POSSIBLE ACTION: DISCUSSION AND POSSIBLE ACTION
REGARDING THE NOMINATION AND ELECTION OF A CHAIRPERSON FOR THE
V&T RAILWAY COMMISSION**

MOTION: Treasurer Dotson moved to nominate and re-elect Chairperson Peterson for the position of Chairperson for the V&T Railway Commission. The motion was seconded by Commissioner Hicks and carried 5-0-0.

**10. FOR POSSIBLE ACTION: DISCUSSION AND POSSIBLE ACTION
REGARDING THE NOMINATION AND ELECTION OF A VICE CHAIRPERSON FOR
THE V&T RAILWAY COMMISSION**

MOTION: Commissioner Hicks moved to nominate and re-elect Vice Chairperson Mitchell for the position of Vice Chairperson for the V&T Railway Commission. The motion was seconded by Treasurer Dotson and carried 5-0-0.

**11. FOR POSSIBLE ACTION: DISCUSSION AND POSSIBLE ACTION
REGARDING THE NOMINATION AND ELECTION OF A TREASURER FOR THE
V&T RAILWAY COMMISSION**

Treasurer Dotson commented that it would be appropriate to have someone from Carson City monitoring all of the financial reporting for transparency purposes.

MOTION: Treasurer Dotson moved to nominate and elect Commissioner Wells for the position of Treasurer for the V&T Railway Commission. The motion was seconded by Commissioner Hicks and carried 5-0-0.

12. FOR DISCUSSION ONLY:

MONTHLY NON-ACTION ITEMS:

A. OPERATIONS REPORT

Allyson introduced Leah St. Marie as the newest member of the V&T Railway team.

Moving forward the Operations Report will be outlined according to the Operations, Assets, Board Relations, and Marketing buckets in which the contract is laid out.

Operations:

A train schedule has been established. Operations has been working with Tom Gray to ensure we have his sign-off. The team is also mastering the FareHarbor platform but are not masters quite yet. Everything is loaded into the website so that we can just flip it on once we are on sale - we are looking to get trains going in mid-August.

NEVADA COMMISSION FOR THE RECONSTRUCTION OF THE V&T RAILWAY
Minutes of the Thursday, July 22, 2021 Regular Meeting
Page 4

A phone tree system has been purchased. The new telephone number is 833-RAILSNV. This will allow the team to field calls to Allyson, to railbikes, to Virginia City, to Carson City, and to the short line in Virginia City. In reaction to all of the phone calls we receive. The current 775-686 number will also direct to this phone tree system.

The team has been coordinating with Freedom Rail to ensure that operations will be seamless once we launch in August. It will be a clear and cohesive experience when customers arrive at the Depot.

We have created an internal calendar that says what is going on at the Depot - when the railbikes are going, when the train is going, when Gabe is going, etc. Once the train schedule is approved, we can give access to the calendar to whoever would like it.

We are establishing processes and procedures. That way the Commission knows what to do if Allyson and Leah are unavailable, the information needed is readily available – the calendar, a contact list, a vendor list.

Polar Express:

The schedule has been finalized. We are working with Carla to coordinate for rehearsals as well as some other contractors – Granite Construction for signage on 50, we are working on the permit for this, and have finalized the North Pole location with the help of Ken Dorr.

The retail order is due on August 1st. Working on getting a final inventory of what we already have as well as past orders from 2019 and 2020.

We are finalizing a potential parking plan. Looking to charge for parking - there is an added value to be able to park right next to where you get on the train. Determining whether this is part of the VIP ticket or something you pay extra for. The team is currently identifying a location off property where we can potentially park vehicles for free. Ideally there would be a sponsorship from the property. We are also looking into the cost of shuttling people from that location to the Depot. To be able to park right at the Depot would be part of an added value whether that is \$15 or part of the VIP ticket. Hoping to have a finalized answer by the next meeting. This may also be slated for next year due to the number of players involved and we don't want this to delay ticket sales for Polar Express.

Allyson presented revenues and ridership from Freedom Rail. Chart only reflects what we were able to pull from FareHarbor. FareHarbor was not put into place until mid-May. Therefore, May numbers are half of May. Working with Freedom Rail to get a more accurate number for April as well as the rest of May. July is lower due to rides cancelled because of the smoke and air quality.

Assets:

Cleaning up and cleaning out the Depot, taking inventory, doing continued vendor recon. Looking to finish the cleaning process so we are ready to go for mid-August launch. We are

NEVADA COMMISSION FOR THE RECONSTRUCTION OF THE V&T RAILWAY
Minutes of the Thursday, July 22, 2021 Regular Meeting
Page 5

securing quotes for updated signage. Allyson presented a concept to add curb appeal to the facade of the shipping container - a horizontal slat wall. Potentially adding a pergola for shade over the restrooms in case of lines. We would also like to add a water fill station next to where the water fountains currently are located - this could include a branded V&T water bottle. Overall, really trying to elevate the customer experience.

Board Relations:

Have been working on the SOQ for an auditor - the proposals are due tomorrow. We have sent the SOQ to multiple auditing firms and have received a good response. Anticipating at least two proposals.

We have been working with all of the Drako players to ensure that we are moving forward. Primarily, working on getting the funds transferred from First American over to BCM.

We officially have a credit card as well as access to the accounts.

We have been investigating the Northern Nevada Railway Foundation. It had its 501c3 revoked in 2016 due to 990s not being filed since at least 2013. Therefore, it is not recognized as a foundation by the State or the IRS. Elaine tried to resurrect the foundation in 2019 on the State level but did not get far on the IRS side. Our solution is, rather than going backwards and trying to find all of the players from the past foundation, and hitting fees as a result, we are moving forward and establishing a new foundation. Having a 501c3 will allow us to submit for grants, to secure donations, and to be included in wills and trusts. This foundation will fall under the education bracket. The goal is to allow people to give back to the railway and be able to write it off. We would also love to be able to give money to donation requests as well. Next steps are: (1) selecting a commissioner to work with Allyson to forward on establishing the foundation, (2) decide on a name - suggest the Virginia & Truckee Railway Foundation, (3) decide on a registered agent, (4) decide on the incorporators, and (5) decide on the composition of the Board. There needs to be a minimum of 4 people to make a Board and we would need to identify who those players could be. One or two can be from the Commission but we recommend looking elsewhere as well. So far, we have started on the articles of incorporation. The financial impact to the Commission is about \$200 on the State level. Anticipate more on the IRS side - \$1,500-\$2,000. We will be watching a YouTube video to make sure all of our i's are dotted and t's are crossed.

Marketing:

We have established a marketing plan and had our first marketing meeting – Allyson as well as representatives from Virginia City, Carson City, and their respective marketing arms (RAD Strategies, and Lydia from Carson City). We identified a regional marketing committee that will meet twice a year – this will include Nevada Commission on Tourism, RSCVA, Tom Gray.

We have also fully transitioned from Argentum. Next up is securing media buys for both general and Polar Express. Once we get the green light on the schedule, an e-blast, a press release, and social media will hit within the hour. Our plan is to launch Polar on Monday, August 2nd - another e-blast, press release, and social media posts.

NEVADA COMMISSION FOR THE RECONSTRUCTION OF THE V&T RAILWAY
Minutes of the Thursday, July 22, 2021 Regular Meeting
Page 6

For Facebook, we were able to change the name of the new page to Virginia & Truckee Railway. However, we still have the issue of two Facebook accounts – the original has all of the followers while the new one established in January 2020 has the newer content. Allyson tried to merge the two pages, but Facebook said it could not be done. Now we have two pages - the new one with 1,500 followers, V and T Railway, and the original page with 16,000 followers, Virginia and Truckee Railway. We recommend deleting the new page and using the old page.

Chairperson Peterson raised a couple of questions about the phones, will the 877 number still work for the time being seeing as people know that number? And will there be a phase out plan for that number in the next year or so? Allyson replied that, yes, the 877-phone number still works. We just purchased the phone tree system - we still need to create the script. A transition plan will come eventually - it would mostly be a digital transition. Chairperson Peterson asked that everyone be notified once the number is live so that materials can be updated accordingly.

Ken Dorr asked if the 877 number is the number listed on all of the crossings for emergencies. The response was no, the 775-686 number is on all of the crossings. This number will stay intact because we need a local number for open meeting law.

Treasurer Dotson applauded 833-RAILSNV, Allyson's work with Box, as well as the recent marketing meeting. Allyson interjected to note that the Box is organized by fiscal year and multi-year contracts will be placed in all relevant years. The hope is to be able to archive as we progress because everything we need will be in the current fiscal year. Treasurer Dotson raised a question about our email database. Allyson let the Commission know that we do own our Mail Chimp account. He supports the idea of paid parking as long as there are options for people. He is working with Clay and Austin on transportation in Virginia City. Traditionally the Commission has provided transportation to C Street. However, it was not included in the budget this year - roughly \$10k.

Commissioner Hicks wanted to remind Allyson to check with the building department and make sure all permits are in place before moving forward with facade improvements.

Vice Chairperson Mitchell questioned the Railbike numbers - is it 371 transactions versus 371 riders? Allyson let the group know that she would confirm these numbers with Vinnie and Todd before the next meeting.

B. ATTORNEY'S REPORT

This month has been a quieter month. At the beginning of the month there was a series of emails from Chairperson Peterson regarding public record and digital formatting of the Commission's records as well as a couple meeting law questions. Mike also spent time reviewing various agreements, once finalized, for the Polar Express Reduction, the Lollipop contract, and their Certificate of Liability Insurance. The other major thing that took place was to track the Drako transaction with BCM. We finally received the signed agreement from Roy Street but there is a question about the amount of fees and expenses that are being called for on the contract.

NEVADA COMMISSION FOR THE RECONSTRUCTION OF THE V&T RAILWAY
Minutes of the Thursday, July 22, 2021 Regular Meeting
Page 7

Chairperson Peterson is wondering if the fee is supposed to be 1% making it \$2k as opposed to \$750. Darrin did not comment or change the fee, but Mike is going to verify. If this is another typo, page four will be revised once again. This is an easy change; Mike will email the revised page to Leah to add to the contract. Other than that, routine stuff of reviewing minutes and agendas.

Mike asked who would be contacting Roy Street to let him know he owes interest. Chairperson Peterson answered that Allyson would be reaching out to Mr. Street. Allyson will make the inquiry and Mike will get involved if need be. Mike is not overly concerned about lack of interest paid because we still maintain the first deed of trust as well as the balance of the promissory note that he will owe it to us when he wants to sell the property - can collect in the escrow process during the sale of the building.

C. ENGINEER'S REPORT

Ken, Chairperson Peterson, and Tom met on July 1st to walk through several issues and decided that a derail was not needed between Linehan Road and the Highway 50 bridge. A new plan was proposed, westbound trains will stop short of Linehan Road and contact dispatch who will coordinate with Railbikes in order to give the go ahead. We hope to get this finalized soon.

Ken wants to order a few signs. One that says, 'Begin Railbike Block,' 'End Railbike Block' between Linehan and the bridge. Another sign at the hold point so everyone knows where everything is at.

He is working with Gabe on maintenance items. A priority list has been prepared based on the available budget. Determined that the priority is the east switch at Hayward. A second priority is the Overman embankment, it needs some surfacing. We already have ballasts there to raise it but never got a chance to do it last year.

Manhard did a field survey. Ken hopes to establish a ground profile comparison system to better determine future options. He does not anticipate immediate necessity; just regular maintenance will suffice for now due to the large cost of the project.

He is going to pass along the Form 55 Safety Report to Allyson to manage.

Gabe ordered a new signal arm for Linehan Road Crossing and it is on its way here. He will install it once it arrives.

Ken spoke with Allyson about getting sewage pump numbers every time she pumps. This is reported to the NDP.

High rail inspection scheduled for tomorrow at 10:30 AM with Tim Blaylock the Rail Safety Supervisor for the State of Nevada Public Utilities Commission.

NEVADA COMMISSION FOR THE RECONSTRUCTION OF THE V&T RAILWAY
Minutes of the Thursday, July 22, 2021 Regular Meeting
Page 8

Gabe has been doing some vegetation work. There is a plan to do some ditch work once they can coordinate with Tom to rent his high rail excavator. Weeds continued to grow when trains weren't running. Gabe noted that he has picked up a lot of trash.

Allyson asked a question about the fire safety of the track - its current condition, where we are at, what we have done, what the plan is? Yearly weed abatement program where we put down a weed abatement chemical that covers the roadbed of the track itself. This gets rid of cheatgrass. Gabe also knocks down the sagebrush outside of the ballast section to get rid of that. We cannot eliminate all fire hazards but the biggest concern with the steam engine is when cinders come off there have been minor fires. Tom has also always had volunteer fire people to follow along with the train. Hoping to have that again this year.

D. UPCOMING MEETINGS

Chairperson Peterson read the following into the record:

- **V&T Railway Commission: Thursday, August 26, 2021 at 1:00 p.m.**

13. COMMISSIONER COMMENTS, ANNOUNCEMENTS, AND REQUESTS FOR INFORMATION FROM STAFF

Commissioner Wells is curious about the delay on the trains running. Where are we and how long will that take? Based on this meeting, it sounds like the trains could be ready by the next meeting.

Allyson replied that Tom has submitted an inspection for 18 and he will be testing 18 on the track next Thursday or Friday. Assuming all goes well, we are good to go for August 20th. We are also doing the track inspection tomorrow.

Commissioner Wells also inquired about the Battle Axe event. The Battle Axe event had a deadline of June 30th, but they did not meet that deadline. Therefore, there is no event scheduled anymore.

Chairperson Peterson responded by saying that he did not feel comfortable discussing the new facilities use rental agreement today because they are in the middle of the NPR project and he was worried about the Commission approving it but something outside of the Commission extends the deadline outside of our control. Although bringing the topic back in August is a tight timeline, after speaking with Commissioner Hicks, we will know before the next Commissioner meeting whether the official event permit will be approved or not. Didn't want to bring it back yet to avoid having to discuss it a third time.

Commissioner Wells expressed concern that the event would fall on a weekend that the trains would be running but we can't run the trains and have the event. Are we going to run the trains or have an event? A decision needs to be made here soon because we need to know if we are selling tickets for that weekend or not. If we wait, will there be a lower ridership that weekend?

NEVADA COMMISSION FOR THE RECONSTRUCTION OF THE V&T RAILWAY
Minutes of the Thursday, July 22, 2021 Regular Meeting
Page 9

Allyson responded by saying that the trains are not scheduled to run that weekend - it is also the weekend of the Outhouse Races up in Virginia City. There will be a PR effort around riding the trains to Virginia City events. We would know in advance of that PR effort in order to loop that weekend in and fill those trains.

Commissioner Wells asked about the deadline in order to have a concert on October 1st?

Commissioner Hicks answered that the group submitted initial information to the City and the City is waiting on answers in regard to transportation and parking. Their deadline to respond to the City is the end of this week.

Vice Chairperson Mitchell commented that because of the short season there may be an opportunity to capitalize on dates that "just opened up". As a result, he is not as concerned it will be a wasted weekend.

14. PUBLIC COMMENT

Public comment was made available via telephone, (775) 686-9037. Chairperson Peterson entertained public comments; however, none were forthcoming.

15. FOR POSSIBLE ACTION: TO ADJOURN

MOTION: Vice Chair Mitchell moved to adjourn.

Chairperson Peterson adjourned the meeting at 2:07 p.m.

The Minutes of the July 22, 2021 Nevada Commission for the Reconstructions of the V&T Railway meeting are so approved this 26th day of August 2021.

Approved by the V&T Railway Commission Chair:


