

NEVADA COMMISSION FOR THE RECONSTRUCTION OF THE V&T RAILWAY
Minutes of the Thursday, September 23, 2021 Regular Meeting
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A regular meeting of the Nevada Commission for the Reconstruction of the V&T Railway was held at 1:00 p.m. on Thursday, September 23, 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=1871#

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

1. CALL TO ORDER

Chairperson Peterson called the meeting to order at 1:04 p.m.

2. ROLL CALL AND DETERMINATION OF A QUORUM

Roll was called and all commissioners except for Commissioner Deny Dotson 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.

Chairperson Peterson added that Item 9 was pulled from the agenda due to still negotiating with Amador on the insurance front.

5. FOR POSSIBLE ACTION: APPROVAL OF MINUTES – AUGUST 26, 2021 V&T RAILWAY COMMISSION MEETING

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

Allyson Bolton voiced three edits.

- Page 2, Item 8, Motion – Commission Hicks moved *to approve*....
- Page 6, third paragraph, under Assets – Have been working with Freedom Rail *to* clear
- Page 7, first paragraph, first sentence, under Social Media – there is an -e missing on the end of the *page*

MOTION: Commissioner Hicks moved to approve the minutes for the August 26, 2021 meeting with the corrections noted on the record. The motion was seconded by Vice Chair Mitchell and carried 4-0-0.

CONSENT AGENDA

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

Commissioner Wells added that he was sent a link to get into the financial system. He believes he can figure out a way to get monthly reports that match. He just needs one more piece of information then this can be done monthly moving forward.

MOTION: Commissioner Hicks moved to approve the Consent Agenda as presented. The motion was seconded by Vice Chair Mitchell and carried 4-0-0.

END OF CONSENT AGENDA

8. FOR POSSIBLE ACTION: DISCUSSION AND POSSIBLE ACTION REGARDING APPROVAL OF FIRST AMENDMENT TO INDEPENDENT PEX PRODUCTION AND DESIGN SERVICE AGREEMENT, WITH C.J. WILSON, LLC/DBA: LOLLIPOP PRODUCTIONS, TO PROVIDE PEX PRODUCTION AND DESIGN SERVICES FOR AN ADDITIONAL SIX NIGHTS, FOR A TOTAL CONTRACT NOT TO EXCEED AMOUNT OF \$85,621.

Chairperson Peterson explained that the Polar Express schedule began with 17 nights, and it has now expanded to 23 nights. The additional \$13, 290 covers those additional nights moving from 17 nights to 23 nights. Everything else in the contract stays the same.

MOTION: Vice Chair Mitchell moved to approve the first amendment to the Independent PEX Production and Design Service Agreement, with C.J. Wilson, LLC/DBA: Lollipop Productions, for the purpose of providing PEX production and design services for an additional six nights, for a total contract not to exceed amount of \$85,621. The motion was seconded by Treasurer Wells and carried 4-0-0.

9. FOR DISCUSSION ONLY:

MONTHLY NON-ACTION ITEMS:

A. OPERATIONS REPORT

Allyson Bolton presented the Operations report.

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Operations

Trains are full speed ahead. Following the last meeting, we went into launch weekend which was met with a lot of community excitement. Roughly 100 people attended each day. We have continued coordination with Freedom Rail as well as with all other vendors. Our main focus has been Polar Express now that the general season has launched. We have been working closely with Rail Events – we completed the Operational Plan. We reviewed the Event Manual. We have moved forward with the parking plan – there will be shuttles from Gold Dust West to the Depot. There will be free parking at Gold Dust West with a free shuttle and \$15 to park in the Depot parking lot. There are 80 paved parking spaces at the Depot. We also have a dirt lot. The plan is to open 70 paved parking spaces per time slot to be sold. The dirt lot will be parking for vendors and staff. There is wiggle room in the dirt lot and the paved lot for last minute customers. Expecting a tentative \$70-\$80k in revenue not accounted for before. There will be expenses on the shuttle side as well as on the staff side. Looking to hire 3-5 staff to make this happen. We are also working on securing the Temporary Occupancy Right of Way Permit. We had to convert previously purchased Polar Express tickets to the new Deluxe car table configuration in Fare Harbor. Verbally announced Polar Express at the launch event followed by a e-blast and a press release. Up next is finalizing the parking plan as well as coordinating with hotel partners. Our main priorities are identifying a Santa for in-Depot photo op and a photographer. We are also working with Carla Wilson to fill out her cast – we are not having a huge turnout now due to a number of factors. Lastly, we are looking to put on Halloween trains the last weekend of October – including a costume contest, Halloween bingo, Halloween railbikes.

General Season Trains Revenues & Ridership –

- 175 passengers in August with \$8,131 in revenue
- 416 passengers in September so far with \$21,242 in revenue
- 254 passengers booked in October so far with \$12,756 in revenue

Polar Express Revenues & Ridership (broken down by car rather than month) -

- Coach – 1,601 passengers with \$72,315 in revenue
- Deluxe Table – 660 passengers with \$39,600 in revenue
- Deluxe Private Room – 675 passengers with \$51,975 in revenue
- VIP – 1,195 passengers with \$90,285 in revenue
- Parking – 634 parking spaces sold with \$9,510 in revenue

30% sold so far after being on sale for a month – however, there was not much marketing until about 2 weeks ago. Total gross revenue is \$263,685. These numbers include the pre-sold tickets – tickets carried over from 2019 and 2020 as well as tickets that were bought early 2021 (approximately 500).

Rail Bike Revenues & Ridership –

We are not confident in July and August numbers due to cancellations and refunds during the months as a result of the forest fires in the area. Working with Freedom Rail on accurate numbers.

April – 561 riders with \$24,897.50 in revenues

May – 575 riders with \$25,920 in revenues

June – 2,029 riders with \$91,528.09 in revenues

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July – 1,447 riders with \$44,348.77 in revenues
August – 720 riders with \$32,287.50 in revenues

Assets

Again, more coordination with Freedom Rail, more cleaning up and cleaning out at the Depot office (i.e., filing, digitizing). We are working with the Nevada Division of Environmental Protection to file all necessary permits and reports for holding tanks. Working with Ken to take over the duty of completing the Form 55 reports moving forward. Up next month is more filing and digitizing, updating signage at the Depot, and some minor Depot improvements. We had a contractor from Armac come out to assess having the concrete shaved outside of the retail space, possibly raising the building, constructing the signal bridge that was donated to us by Granite Construction. We would like to place it at the entrance to the parking lot.

Board Relations

The audit process with Casey Neilon has begun – working to ensure they have what they need, continued coordination with Drako players, as well as working on accounts payable and the Commission meetings. We have created an internal timeline of all of the Commission's RFPs and contracts. Working on financial reporting with Treasurer Wells. With the help of Gabe Willaman, a grant designated for safety and infrastructure for railways has been identified that we are going to apply for.

Marketing

Public Relations: Two press releases went out – one for the Polar Express ticket launch and another for Polar Express auditions. We did an interview with KRNv and distributed one e-blast for the Polar Express launch. The e-blast had the highest ever open rate for the Commission (26.3%) along with a high click rate (8.3%). Received 13 pieces of coverage that had 108 million online readerships, 149k estimated coverage views and 639 shares. In the future, would like to add marketing value – putting dollar signs to coverage. Press releases to go out next will be around Outhouse Races, Nevada Day, Halloween, and Hauntober in Virginia City.

Social Media – 105 new likes on Facebook (.63% increase). Post reach is 7,814 people saw the post that we put out. Of those people, 1,600 interacted with us. Most organic performing post (compared to the paid post), reached 6,855 people with 183 reactions. Instagram has 9 new followers. Our Instagram stories are proving to be very popular – we will continue this strategy. Of our 2,511 followers, we had 2,083 accounts reached. Had just over 1,000 content interactions – a like, share, or comment.

Advertising – Ran a boosted post on Facebook around launch – 9,873 people were reached with 311 reactions. Boosted posts will be used moving forward. We do have two media buys in hand – one for the general train season and another for Polar Express. We have held on moving forward until we get a better grasp for expenses, revenues, and how things transpire organically.

Website – 9.1k users have come to the website, 8.9k were new users. The graph to the right indicates how people are finding the website (Google, direct, Visit Carson City). The last chart shows which page people are going to. General trains is the highest page viewed, then railbikes,

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and lastly is the Commission page. We can also see where these people live. 8.9k in the United States, 34 in China, then Canada and Brazil.

Chairperson Peterson would like to see a breakdown of DMAs in the United States. Also, engagement or conversion statistics particularly around ticketing. Would be fascinating to know where we are losing people. And how do we reengage the people we lose?

Vice Chair Mitchell asked about the targeting on the boosted post. Allyson replied that it was targeting people within a 20-mile radius of the Depot intended to drive traffic to the website. Vice Chair Mitchell would like to see us targeting established fan base. Would like to see month over month comparisons in order to see trends, as well as how much time people are spending on the website. Are we retaining people's interest? Where are people dropping? Allyson pointed out that the new users to the website data is tied to new website launch in 2020 – this was a sort of refresh. We will play around with how we want to set up session parameters.

B. ATTORNEY'S REPORT

Michael Rowe presented the Attorney's report. This month he reviewed the Lollipop Agreement and the Amador Stagelines Agreements. He also reviewed and approved the agenda. Worked with Allyson to get Drako funds moved over to the agent who will disperse them to the Commission.

C. ENGINEER'S REPORT

Ken Dorr presented the Engineer's report. He is continuing to track maintenance of way costs. Through end of August, about \$37,000 expended versus the \$98,000 estimated and \$100,000 budgeted. Chairperson Peterson commented that Gabe Willaman's contract through December 2021 is for \$40,000. He clarified that \$37,000 of the \$40,000 has been spent, leaving only \$3,000 left under the contract authority. A contract amendment will need to be put together to get us through the season with Gabe. Commissioner Hicks questioned if the \$37,000 is all Gabe's work. Ken responded that the \$37,000 is for Gabe's work as well as equipment rentals which were under his invoices. The question was raised, do equipment rentals come out of Gabe's budget? An amendment will be brought forward next month.

Ken is finishing the FRA safety report forms this month, Allyson and Leah will be taking this over next month.

He has continued maintenance of way supervision work and coordinating work with Gabe. Gabe plans to begin surfacing and lining work at Overman now that the weather has cooled down, touch up resurfacing on east switch at Haywards, ballasting miscellaneous locations, "joint oiling" program, and various locations that need grinding and welding.

Ken is working on getting the FRA reports to the Depot. He will get a hold of Linda at Manhard for hard copies of the 2019 reports, we don't have reports from 2020.

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Following up with Carson City for an updated assessor's map – wanting partials identified as owned by the Commission. Commissioner Hicks will follow up with the Assessor's office as well.

Treasurer Wells clarified that rental equipment does come out of Gabe's contract so there is only \$3,000 left in Gabe's contract.

D. UPCOMING MEETINGS

Chairperson Peterson read the following into the record:

- **V&T Railway Commission: Thursday, October 28, 2021 at 1:00 p.m.**

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

11. PUBLIC COMMENT

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

12. FOR POSSIBLE ACTION: TO ADJOURN

MOTION: Treasurer Wells moved to adjourn.

Chairperson Peterson adjourned the meeting at 1:59 p.m.

The Minutes of the September 23, 2021 Nevada Commission for the Reconstructions of the V&T Railway meeting are so approved this 28th day of October 2021.

Approved by the V&T Railway Commission Chair:


