

NEVADA COMMISSION FOR THE RECONSTRUCTION OF THE V&T RAILWAY

Minutes of the Wednesday, July 27, 2022, Regular Meeting

Page 1

A regular meeting of the Nevada Commission for the Reconstruction of the V&T Railway was held at 9:00 a.m. on Wednesday, July 27, 2022, 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=2077

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

ABSENT: Commissioner Deny Dotson

1. CALL TO ORDER

David Petersen: Everybody, I'd like to go ahead and call to order, the Nevada Commission for the Reconstruction of the V&T Railway. It is 9:20 AM Wednesday, July 27th, 2022. We are here at the Carson City Community Center Robert "Bob" Crowell Board Room. Allyson, could I get a roll call, please?

2. ROLL CALL AND DETERMINATION OF A QUORUM

Allyson Bolton: Clay Mitchell.

Clay Mitchell: Present.

Allyson: David Peterson.

David: Present.

Allyson: Stephanie Hicks.

Stephanie Hicks: Here.

Allyson: Jim Wells.

Jim Wells: Here.

Allyson: Deny Dotson not present.

David: Great. We have a quorum. We'll go ahead and move on to agenda item three, Pledge of Allegiance. If everybody could please stand.

3. PLEDGE OF ALLEGIANCE

All Commissioners: I pledge allegiance to the Flag of the United States of America and to the Republic for which it stands, one nation, under God, indivisible, with liberty, and justice for all.

4. PUBLIC COMMENT:

NEVADA COMMISSION FOR THE RECONSTRUCTION OF THE V&T RAILWAY
Minutes of the Wednesday, July 27, 2022, Regular Meeting
Page 2

David: Thank you, everyone. We'll go ahead and move on to public comment. At this time, the public is invited to comment on and discuss any topic that is relevant to or within the authority of this public body. I am not seeing any public comment in the room. We'll go ahead and move on to agenda item five, for possible action, approval of the minutes of the June 22nd, 2022, meeting. Allyson, go ahead.

5. FOR POSSIBLE ACTION: APPROVAL OF MINUTES OF THE JUNE 22, 2022, MEETING.

Allyson: Yes. Allyson Bolton for the record. I have a few edits to the meeting minutes.

- Page four, before and after number six is duplicated language.
- Page five, item eight, it should be fiscal 21/22. Not 22/22.
- Page 10, we have a motion and a second not in second.
- Page 11, paragraph two, first line should be train services not trained.
- Page 11, under Jennifer, I'll make the change there should be a period at the end of that sentence.
- Page 13, line 15 should be 53016, not 5316.
- Page 14, line 17 should be 56500, not 5650.
- Page 22, line 16 should be Raquel, not Rachel.
- Page 38, line 9 should be Sheesh, not she's.

Those are all the edits that I have at this time.

David: Thank you, Allyson. Do any of my peers have any edits or changes they would like to see? Okay. I think with that, I'll go ahead and accept a motion on the minutes.

Clay: This is Clay. I'll move to approve the minutes with the noted corrections.

David: Thank you for that motion, Clay. May I have a second?

Stephanie: I second.

David: Thank you, Stephanie. We have a motion and a second. Any further discussion? Seeing none, all those in favor say aye.

All Commissioners: Aye.

David: Any opposed? Motion carries unanimously. Thank you. Thank you, Allyson, for those changes. We'll go ahead move on to agenda item six for possible action: discussion and possible action regarding approval of the V&T statement of accounts payable checks paid June 1st through July 1st, 2022. Jim, if you're okay, anything you want to add on that?

6. FOR POSSIBLE ACTION: DISCUSSION AND POSSIBLE ACTION REGARDING APPROVAL OF THE V&T STATEMENT OF ACCOUNTS PAYABLE CHECKS PAID JUNE 1 THROUGH JULY 1, 2022.

Jim: I'll just add that the difference between the budget report that's in the next item and the check runs for the July or the month of June is that the budget report includes the July checks that were paid that were related to FY22 that's why there's a difference. The only real difference between the check run and what you see on the expense side is the credits for the railroad and a voided check at AT&T that ended up having to be reissued.

David: Great. Thank you, Jim. Any questions for Jim on the accounts payable. Accept a motion then. Go ahead, Stephanie.

Stephanie: I move to approve the payable checks paid June 1st through July 1st, 2022.

NEVADA COMMISSION FOR THE RECONSTRUCTION OF THE V&T RAILWAY

Minutes of the Wednesday, July 27, 2022, Regular Meeting

Page 3

David: Thank you, Stephanie, for that motion. Do I have a second?

Clay: I'll second that motion.

David: Thank you, Clay. We have a motion and a second. Any further discussion? Seeing none, all those in favor please say aye.

All Commissioners: Aye.

David: Any opposed? Motion carries unanimously. Thank you very much. I will go ahead and move on to Agenda item seven for possible action, discussion, and possible action regarding approval of the adjusted V&T fiscal 21/22 budget report period ending June 30th, 2022. On this one, we've got adjusted revenue totaling \$1,478,855.28 and expenses totaling \$1,115,559.44. Jim, anything you want to add, trying to wrap 22?

7. FOR POSSIBLE ACTION: DISCUSSION AND POSSIBLE ACTION REGARDING APPROVAL OF THE ADJUSTED V&T FY21/22 BUDGET REPORT, PERIOD ENDING JUNE 30, 2022.

Jim: Yes, the FY22, there were a couple of late transactions that are going to post to FY22. One is the last license plate revenue for the fiscal year. The other is the payment to Storey County for their services for the fourth quarter. Those will post after this. With those two adjustments, the final revised budget will be, the net revenues over expenses will be \$357,921, instead of the \$363,295 that you saw in the report that's in the packet. I will say, if you take out the one-time revenues for the sale of property and the Carson City revenue that we get those two total about \$308,000.

That leaves us with an operating surplus really of about \$50,000. Actually, not bad considering where we thought we would be going through the year. The payment of the \$321,000 that's in the next item, I think is going to significantly reduce the amount that we have in our checking account. As of June 30th, our checking account balance was just \$100 less than \$800,000. That's going to leave us with less than \$500,000 in cash going forward. Given our cyclical revenues, we have to remember we need to pay bills when we're not necessarily taking in any money. Having that balance is necessary.

David: I totally agree. Jim, thank you for that update as far as the expenditures. Any questions? Okay. Somebody would like to go and make a motion? That would be super.

Clay: Yes, this is Clay, I move to approve the adjusted V&T fiscal year 21/22 budget report. The period ending June 30th, 2022.

David: Thank you, Clay for that motion. Do I have a second?

Stephanie: I second.

David: Thank you, Stephanie. We have a motion and a second. Any further discussion? Seeing none, all those in favor please say aye.

All Commissioners: Aye.

David: Anybody opposed? Motion carries unanimously. Thank you. Great. All right let's go ahead and move on to agenda item eight. Consideration and possible approval of a payment to Storey County in the amount of \$321,041.33. Jim, do you want to take this up initially? Just give a little bit of background from last month.

8. FOR POSSIBLE ACTION: CONSIDERATION AND POSSIBLE APPROVAL OF PAYMENT TO STOREY COUNTY IN THE AMOUNT OF \$321,041.33

Jim: Yes. This is a follow-up to the agenda item that we had last month where Jennifer McCain from Storey

NEVADA COMMISSION FOR THE RECONSTRUCTION OF THE V&T RAILWAY

Minutes of the Wednesday, July 27, 2022, Regular Meeting

Page 4

County went through what she had found, as the Commission transitioned its banks and accounting to Storey County. It ended up being that Storey County was writing checks out of their bank account for a period of time up until June 30th of 2019. In 2020, the Commission paid Storey County for those checks that they had written in FY19. There were some problems with the transition, they ended up getting some checks that had wrong account numbers and did not clear. Storey County had to write checks again for the Commission for the first six weeks or so of FY20. The Commission has never paid Storey County for those checks that they wrote on the Commission's behalf. We did find the bank statements and we did see that there were the revenue collections going into the Wells Fargo account that's associated with the Commission. We did get the revenues; we just did not pay the bills. This \$321,041.33 will clear out the amount that we owe to Storey County for bills that they paid on the Commission's behalf.

David: Thank you, Jim, for that explanation. For the record, this ties back to our audit from fiscal 21. Right.

Jim: There's a slight difference I forget. It was like \$1,000 difference; this will clear out that accounts payable item. It does not clear out the-- Speaking of the audit, there was the second-- There was \$250,000 that dealt with the freight depot. That is still an outstanding issue that needs to be resolved between the Commission and Storey County.

David: Thank you, Jim. Any questions from the Commission? Seeing none, I'd be happy to entertain a motion. Go ahead, Jim.

Jim: Oh, this is Jim. I would move that the Commission approved payment of \$321,041.33 to Storey County for invoices paid on the Commission's behalf from July 1st, 2019, to August 19th, 2019.

David: Thank you, Jim, for that motion. Do I have a second?

Stephanie: I second.

David: Thank you, Stephanie. We have a motion and a second. Any further discussion on this item? Seeing none. All those in favor, please say aye.

All Commissioners: Aye.

David: Any opposed? Great. Motion carries unanimously. Thank you, everybody. All right, we'll move on to agenda item number nine for possible action: discussion and possible action regarding an agreement for legal services between the V&T Commission and the Carson City District Attorney's office for a not to exceed amount of \$20,000 per year effective August 1st, 2022. I'll go ahead and let you start on this one, Stephanie. Thank you.

9. FOR POSSIBLE ACTION: DISCUSSION AND POSSIBLE ACTION REGARDING AN AGREEMENT FOR LEGAL SERVICES BETWEEN THE V&T COMMISSION AND THE CARSON CITY DISTRICT ATTORNEY'S OFFICE FOR A NOT TO EXCEED AMOUNT OF \$20,000 PER YEAR, EFFECTIVE AUGUST 1, 2022.

Stephanie: Thank you. This is also a follow-up to our discussion item of last month for an agreement for legal services between our Commission and the Carson City District Attorney's office. Mihaela Neagos is here. If you have any questions specifically regarding the contract, she is the Deputy District Attorney that would be assigned to the Commission. We can answer any questions you might have.

David: Thank you, Stephanie. Any questions from the Commission, either for Stephanie or Mihaela? Okay, great, seeing none, I'd love to have a motion on this item. Go ahead, Jim. You guys are rushing today. [laughter]

NEVADA COMMISSION FOR THE RECONSTRUCTION OF THE V&T RAILWAY

Minutes of the Wednesday, July 27, 2022, Regular Meeting

Page 5

Jim: This is Jim. I'd move to approve the agreement for legal services between the Commission and the Carson City District Attorney's office for an amount not to exceed \$20,000 per year effective August 1st, 2022.

David: Thank you, Jim, for that motion. Do I have a second?

Clay: I'll second that motion.

David: Thank you, Clay. We have a motion and a second. Any further discussion? All right. All those in favor, please say aye.

All Commissioners: Aye.

David: Any opposed? Motion carries unanimously. Thank you, everybody. Welcome aboard Mihaela. They're a nice group of people, even though they seem shy, they're not talking a lot. They do talk a lot sometimes. Awesome. [laughs] As we just saw with our minutes. I don't see Austin on yet. I'd like to go ahead and move to 11, we'll come back to 10. Is that all right with everyone? Hopefully, we can get Austin on the WebEx.

10. FOR POSSIBLE ACTION: DISCUSSION AND POSSIBLE ACTION REGARDING TRANSPORTATION SERVICES FROM VIRGINIA & TRUCKEE RAILROAD DEPOT IN VIRGINIA CITY TO C STREET, VIRGINIA CITY.

David: Austin, are you able to hear us?

Austin: I can hear you and I still have a little bit of time if you want to finish this item, and then I'll catch up. That's okay.

David: No, I think just out of respect for you, Austin, we're going to go ahead and move back to agenda item 10. We'll pull out of the number 12 A, and I'd like to go back to agenda item 10 for possible action: discussion of possible action regarding transportation services from the Virginia and Truckee Railroad Depot in Virginia City to C Street Virginia City. Allyson, do you want to get started, or do you want Austin to start? However, you guys want to--

Allyson: I can give some context to the line item. We had a verbal agreement with the Virginia City Trolley to have them do our transportation from the depot in Virginia City up to C Street. Now, while it's not a long walk, it is uphill. It can be quite strenuous for anyone that say is in a wheelchair or elderly. Also, the immediate direction is stairs and so you have to go around to get up to C Street, and so we've always offered that service. Historically, I found out we actually added a \$3.50 surcharge on all tickets to cover the cost of that trolley. Currently, the Commission does not charge anything for any transportation.

Essentially, I think it was three or four weeks ago, it didn't show up, and it was much to our surprise. It was a little bit of a scramble to figure out okay, what do we do. With the help of Commissioner Mitchell, we put our brain together of what could be a solution for last weekend's train, we did have Amador come in to run the shuttle service because it was just too quick for us to get anything else in line. Clay connected us with Austin, and I'm actually going to pass it off to them to fill in the blanks of where we're going to go from here with the idea that we're just looking for this operating season, and the Commission would need to come up with a more permanent solution moving forward.

David: That's great. Clay, do you want to?

Clay: Yes, I'll just add a comment quickly, and then let Austin say what he has to say. First of all, I just want to thank those who scrambled when we were in a rough situation, including Tom and the train, and Allyson and her crew to try to make sure that our guests were taken care of. It's a tough situation. It's part of the challenge that we deal with living on the mountain. I just want to reiterate, I think as we go into a discussion

NEVADA COMMISSION FOR THE RECONSTRUCTION OF THE V&T RAILWAY
Minutes of the Wednesday, July 27, 2022, Regular Meeting
Page 6

on this item that this is a much larger discussion to be had, I don't think this is the right time for the larger discussion about a permanent solution because I think there's some legwork to be done to really decide what are some good options or directions we want to go there.

The immediate need, as I see it, is to ensure that we have a seamless operation or a good guest experience through the rest of this operating season. Austin was able to pull together a few resources and I think we have a way to fill that need for the rest of this season. I'll turn it over to you, Austin, just to add a few comments if you'd like.

Austin: All right, thank you, Commissioner Mitchell, Austin Osborne, Storey County manager. Just to let you know, I do appreciate working with you all and want to be able to provide the services needed here, in this case, just to provide a temporary shuttle service between now and I understand December 31st, or at another time earlier as determined between us. This is just a shuttle just to get folks to and from the railway train. This would not apply to the short line, other businesses nonprofits, this is not an eight shape that goes through town with various stops.

It is simply exactly like Commissioner Mitchell described just for the purpose of the railway to get folks from the train up to C Street in Virginia City, and then back just as a temporary service. I agree with Commissioner Mitchell, that we're happy to work with you on an ultimate long-term plan, as well as with the VCTC up here that might integrate into an actual type of a transit system here in town. At this point, we're happy to help under these limited circumstances. I'm happy to answer any questions you might have.

David: Thank you, Austin and Clay, really appreciate you guys stepping up here to help us figure out how to get us through basically October at this point, so thank you. I have a couple of just quick questions. Allyson, how many more trains are we running to, just roughly, get us through October?

Allyson: I want to say six weekends, but I have it right here. I think--

David: Then while Allyson is looking Austin or Clay, either one of you how big is the proposed shuttle is it an actual shuttle, or is it like one of the small buses if you might just provide the--

Clay: Sure, we have a couple of different vehicles that we can use. That's something that I think we'll need to talk about because I think there's a difference between, I think that this service is one that will expand somewhat to the capacity that you offer. One of the things that I think is important is to determine the real need versus the convenience factor for people who might take advantage of but don't really need it.

We have a 12-passenger van that's in the mix. The advantage to using that is obviously it's quicker and more nimble, does not require passenger endorsement. It's a regular class seat, whatever vehicle, more flexibility on who can drive it for us. Then I believe we also have access to a 26-passenger shuttle which certainly provides a greater capacity but has some limitations as well as who can drive it so on so forth. Austin, you're free to correct me if I'm wrong, but I believe both of those are in the mix and available.

Allyson: I can address two of those things. The first was how many more weekends it is, seven, I was close. Seven more weekends, the last weekend that we run is October 22nd and 23rd. Select weekends between now and the end of October. The second was on the capacities and the needs. This last weekend we had a 14-passenger van and each day, Saturday and Sunday, it did about three trips. Now, I don't know if the van was completely full for all of three trips, but it went about up and down around three each day.

David: That's very helpful.

Austin: Austin Osborne, I'm happy to answer questions as well if you want me to continue a little bit on.

Clay: Please do, Austin.

David: Please do. Yes, that would be great, Austin. Thank you.

Austin: Austin Osborne, Storey County manager. Thank you, Commissioner Mitchell for explaining the size

NEVADA COMMISSION FOR THE RECONSTRUCTION OF THE V&T RAILWAY

Minutes of the Wednesday, July 27, 2022, Regular Meeting

Page 7

of the transit shuttle. There are some limitations we have with staff. I believe we have one person that has a CDLP endorsement for the shuttle, that is larger that requires that P endorsement. The VCTC is working right now to try to move staff around a little bit scheduling-wise to be able to provide the capacity needed to run that shuttle on all of the times necessary for the railway.

Worst case scenario, if there was a day or two or whatever, where that person is not available, then another person will have to drive, and they would have to use the 12-passenger van that does not require a P endorsement. So far, we believe we'll be able to have the shuttle running if all, if not most of the time, so we'll keep you updated on that.

David: Thank you, Austin. That's great. Then I just have one question. Both of those vehicles, are they ADA accessible, or in other words, you could load somebody's wheelchair in there? Are we covering that in one or the other? If anybody knows.

Clay: Sure. There's been some discussion of ADA compliance and that's actually part of why the shuttle is not up and running on a regular basis because that's a modification that we'll need to make to it. One of the unique characteristics of someone who participates in a train ride is that the train itself is not necessarily ADA compliant in the traditional sense, which means that the shuttle for the most part is to accommodate someone who has limited mobility, not necessarily someone who would be required to stay in a wheelchair to be transported.

My understanding is the typical way that that works is someone who has the use of a wheelchair would have to get out of the wheelchair to get onto the train. The wheelchair is stored, in a case like this, then that wheelchair would be transferred to the vehicle, and they would be assisted onto the vehicle, brought up to C Street, and then they would have the use of their wheelchair again.

David: That's perfect. Okay. No, thank you for that. All right. I think I asked enough questions. Any questions, Jim or Stephanie? Yes, go ahead, Stephanie, please.

Stephanie: I'm just assuming because it doesn't list any costs, so there's no cost to us for this service that Storey County is providing?

Clay: Yes. I'll let Austin confirm that, but our understanding is that the real cost to the County is diminutive so we're happy to provide it just to make sure that we have continuity through the rest of the season.

Stephanie: Excellent. Very generous.

David: Oh yes. Super nice. Thank you. Great.

Clay: We also went back and forth on-- We're happy to if, as much as is needed to put some sort of an agreement in place to outline what specifically is needed. We didn't feel that necessarily we needed to go the full contract type route just because of the fact that there was not an exchange of value from that perspective, but I'm in favor of some sort of a memorandum just to make sure that there's clarity on what's being provided and what the expectation is. The thought is maybe that's something we hammer out and ratify so that we can get this in place and going and then bring it back to the Commission just to memorialize this is what we're doing.

David: I think that's a fair idea because yes, obviously we don't meet for another month and we have trains running, so are you all comfortable with that? We'll at least provide the services starting this weekend. We'll get an MOU or an MOA in place. Bring that back at the September or August meeting. Excuse me. Okay. What do you need from us Allyson then? Do we just need a motion to-- Do we need anything today?

Allyson: I don't know that we need anything. I think we would ratify at the next meeting. Right?

David: Okay, great. Is everybody comfortable with that?

Jim: Or the flip side is we could go ahead and approve it and then just approve you to negotiate with Storey

NEVADA COMMISSION FOR THE RECONSTRUCTION OF THE V&T RAILWAY

Minutes of the Wednesday, July 27, 2022, Regular Meeting

Page 8

County for the details of the memorandum of understanding and then you can bring it back almost as an information item. There's no dollar amount changing hands, so there's no need for a real contract for this. It's really just laying out, [crosstalk] I don't know that we need to bring it back as an action item. We could just have you and-

David: Sure.

Jim: -Storey County?

David: I'm fine with that.

Jim: With that, I would move to allow the president to enter into a memorandum of understanding or a memorandum of agreement with Storey County to provide transportation services from the Depot and Virginia City to C Street.

David: Thank you for that motion, Jim. I think Clay, before we do a second, just wants to ask Austin something.

Clay: We probably should second, and then we can open it back up for discussion, so I'll second that motion.

David: Perfect. Okay. We have a motion to second. Any further discussion? Go ahead, Clay.

Clay: Austin. I just wanted to get your take on if that's a path forward that works for the County,

Austin: Austin Osborne, Storey County manager. I'd be happy to have that discussion with you when you're ready.

Clay: Okay.

David: All right then. Thank you for that motion, Jim. We have a second from Clay. Any further discussion? Seeing none, all those in favor, please say aye.

All Commissioners: Aye.

David: Any opposed? Great motion carries unanimously. All right. Well, I think this is a great solution for our visitors. I want to double thank Austin and Clay for presenting this as I think a great solution. Not only for this year, but to look at a long-term solution as well. I like it very much.

Clay: Certainly, transportation is on our radar as something we need to improve, and this is maybe just one more piece of that puzzle. We have programs in place to help with transportation for our seniors. We have been looking at transportation on the tourism side and there's a broader discussion to be had. I think buying ourselves some time to then figure out how the Commission's activities interact with that makes good sense.

David: No. Great. Thank you everybody. All right. We'll jump back into 12A, which is the operations report. Allyson, if you want to resume on.

11. FOR POSSIBLE ACTION: DISCUSSION AND POSSIBLE ACTION REGARDING REQUEST FOR PROPOSAL OF THE POLAR EXPRESS NORTH POLE CONSTRUCTION AND MAINTENANCE.

David: With that, we'll get a little bit out of order here. We'll skip forward to number 11 for possible action: discussion and possible action regarding request for a proposal for the Polar Express North Pole Construction and Maintenance. In your packet, you have a draft of a proposed RFP to construct and maintain the North Pole village for the Polar Express.

Does anyone have any questions? I know it looks like it's a little bit of a tight timeline, but obviously, we need to get this concluded, I think with the September Commission meeting so we can get construction going probably immediately thereafter. Any questions, any edits to the document and thank you, Leah and Allyson for putting that together.

NEVADA COMMISSION FOR THE RECONSTRUCTION OF THE V&T RAILWAY

Minutes of the Wednesday, July 27, 2022, Regular Meeting

Page 9

Ken: David, can you hear me?

David: Yes, I can.

Ken: There are a couple of typos. Page 8, under item paragraph 17 reference to Exhibit A. There is no Exhibit A that I was able to find, and I'm sure these are just typos. Then also on the attachments. I assume you're going to go ahead and put a sample contract in with the document when you do send it out and that's all.

David: Yes, Ken, I missed the first question or the first concern you had on page 8 on number 17. Did you say--?

Ken: There's reference to Exhibit A, and I'm not seeing any other reference or note that Exhibit A was included. I think that is a typo.

David: Got you.

Ken: That's all.

David: I need to remove that. Ken, are you suggesting we should just remove that? No. Oh, okay. Jim is right. We need to add Exhibit A back. Okay.

Ken: [crosstalk] amount of insurance that's required. I think we probably need to tell the prospective responders how much they're going to have to require for insurance.

David: Okay. We will add Exhibit A, and then we'll reference that under number 22 attachments.

Ken: 10.4.

David: Okay. Then you're right in the overall RFP, when it goes out, Ken, all of those documents would be put on the website, so everybody can access everything. This was just the RFP document itself, but all of those other documents, they do exist, and they would be put onto the website.

Ken: I just happened to looked up the insurance because I wanted to see what the requirement was and wasn't able to find Exhibit A. That's why I flagged that spot on.

David: Got you. Thank you, Ken. I appreciate it. Thank you for looking that over. Any other questions, edits from the Commission. All right. Allyson, you're okay with everything timetable. I think we need a motion on this to get Allyson moving forward. If I could get a motion, obviously addressing the couple changes there that Ken noted, anybody. Yes.

Jim: This is Jim. I would move that we release the RFP for construction and maintenance of the Polar Express North Pole to be with the tentative schedule of presentations and issuance of the contract at the September V&T Commission meeting with the inclusion of Exhibit A for the insurance requirements and adding that exhibit to the attachments.

David: Thank you for that motion, Jim. Perfect. I think that's summed up everything nicely. Could I get a second? Go ahead, Stephanie.

Stephanie: I second.

David: Thank you, Stephanie. We have a motion and a second. Any further discussion on this item? Seeing none, all those in favor, please say aye.

All Commissioners: Aye.

David: Any opposed? Motion carries unanimously. Okay. Thank you. Good work on that, ladies. I appreciate it. We'll get this baby rolling. I don't see Austin yet.

12. FOR DISCUSSION ONLY:

MONTHLY NON-ACTION ITEMS:

NEVADA COMMISSION FOR THE RECONSTRUCTION OF THE V&T RAILWAY

Minutes of the Wednesday, July 27, 2022, Regular Meeting

Page 10

a. Operations Report – Allyson Bolton, Atypical Consulting and Events

Speaker: He is having trouble getting in. We're trying to work around it.

David: Are you comfortable if we go ahead and move into 12, then for discussion-only items. Let's do that while we get Austin on the WebEx. We'll move forward with agenda item 12 for discussion only, monthly non-action items. We'll start with 12 A, operations report. Allyson Bolton.

Allyson: Wow. It worked, first try. [laughter] New computer guys, new computer. Thank you, Allyson Bolton, for the record. Operations update for today. We'll go through operations assets, board relations, and marketing. Operations really, we've transitioned to all hands-on deck for the Polar Express and getting ready for that. This last month maintaining the general season trains. We had a special group come in, their acronym being TRASH. They were a fantastic group. They had lots of fun, and they just had rave reviews about the whole experience as a whole.

Continued vendor coordination, coordination with Freedom Rail, just getting the full swing of operations, and of having both train and rail bikes running. Continued customer service with email and phone, we're currently looking into possibly doing call center-type scenario. The way that we have the current phone system set up with exception of when the train is actually running is we return phone calls, whether it be 24 hours or 48 hours later. Our voicemail message reflects that. Says please give us 48 hours to return the call. A little bit of pushback on that sometimes from the customers, so we are investigating what would the cost investment be to have a designated call center, to pick up calls as they come in. Some days it's 6 calls, some days it's 50 calls. We are going on sale rather soon here, as I'll talk about for the Polar Express where we're seeing 50-100 calls a day with questions. Looking at that to see if that is an option for us. Then we also have spent a lot of time this last month, really looking at potentially a new ticketing system.

We currently use FareHarbor and from an operation side, it does work fairly well. However, it does add added hours of time to both my team, as well, as Jim Wells' in terms of the reports that it spits out and how it reconciles with our bank account. It's very cumbersome. While from the customer side and from the operation side, it does work well for running a train, on the back end there, it has its issues.

We did identify another ticketing system, and you should have seen Leah and I with our whiteboard, and we had a pro con pro of each system. Ultimately, where we landed was we wanted to give the opportunity to FareHarbor to fix it. We spent some time with them on the phone going through, "Hey, these are the issues we're having, what can be addressed?" One thing that cannot be addressed is it actually extends a 6% ticketing fee to the customer that goes directly to FareHarbor, which is really high. The response from them as well staff time is also very costly, and so we're taking that off of your time, and well, no, you're not. That cannot be changed, which is why this other ticketing system is rather appealing because it would cost less. Actually, we may see a revenue side if we went with this other ticketing system.

We just don't want to exchange one issue for a new issue. February 1st is where we slated the next call with the other ticketing system so that we can go through one more season of The Polar Express, see if FareHarbor can address the issues. If not, it would give us the opportunity to use a new ticketing system during the general season line before going into a major special event. It checks two boxes for us and that we're not doing a quick change right before our biggest thing and give FareHarbor to address it.

Anticipate that at our next board retreat, where we're really going to dive into the two systems to determine what would be the best for us. Both systems do not require any contracts, so it's move in and that's it. Up next-- Oh, and actually big update, we hired under the Atypical team, a director and stage manager, her name is Nicolle Larson. She's getting a quick trip to Mexico before she's all things The Polar Express. She'll be

NEVADA COMMISSION FOR THE RECONSTRUCTION OF THE V&T RAILWAY

Minutes of the Wednesday, July 27, 2022, Regular Meeting

Page 11

at our next Commission meeting so you can meet her in person, she's very excited to be on board, and we've already started our weekly Polar Express meetings. She just sent me the casting call in my inbox, she's just pedal to the metal and very excited.

With that moving forward, we're really putting all things together to go on sale for the Polar Express. We are anticipating next week for our email subscribers. Then about a week later is when we would hit send on social media our press release, general public. We're giving it a week window for people that are on our mailing list. The team's working on putting up some marketing right now to incentivize people to join our mailing list right now so that they are on the distribution when we hit on sale for Polar. Some changes with Polar that you are going to see this year is for our coach car.

We have three cars for the Polar Express, for our coach car we are doing basically we're selling the bench. What we're finding is that odd number groups, as much as we tell them how you're going to have a stranger sitting with you by the extra seat if you don't want them, they never do, and then it becomes an issue when we're boarding the train. We did-- after the [unintelligible 00:23:00] camp, we talked to several other railways, asked them if they did this, and it works for them. We are going to see how it goes, and basically, you have to buy two tickets, whether you use that second seat or not. We're just selling the bench as opposed to the ticket.

The other big change is we're no longer going to do an adult ticket or a child ticket. We're going to take the average of the two price points and come to the middle at one price point and a seat is a seat, whether you're an adult or a child. Those are the two really big changes for the Polar Express that you're going to be seeing. David, I do see that Austin's on the line.

David: Yes-

Allyson: Okay

David: -and I was just going to ask if we could pause and come back to you just due to timing.

Allyson: Yes, 100%

Allyson: Thank you, Allyson Bolton. We were in our operations bucket, just a few more updates that I have here. We have finalized a private group that will be coming October 1st. They'll be taking the train in the evening. So, the train will come back from Virginia City. We'll load it up with our private group. It's actually a corporate event. They're going to be going up to the Gold Hill Depot where they'll be having a dinner at the depot, and then heading back down to Carson City.

They are working with Gold Dust West, I believe on room nights, as well as Amador on a shuttle to our depot. It's a new footprint that we are excited to try and offer as a new offering moving forward and the agreement that we actually worked out with them because it is taking Leah and mine's time to actually coordinate and plan their event. We did an extended fee to them on top of the base rate of renting the train, just to cover our time and our efforts. Very excited about that. At our last meeting they were on the fence but we're moving forward.

Then the last thing I wanted to touch base here was Rail Events is sending out a staff to assist us in terms of making sure that we have all things in line for our production and our sound. Actually, going to help us look at the train, look at the system, and then we also have a sound vendor that we're meeting with next week to install some permanent systems both in the depot and then we'll be up at Tom's yard at his train to ensure that everything that we have links up.

For the most part, our trains are selling out on the weekend. We have run select weekends. We're not running every weekend, but here's just a layout of where we're at. This is inclusive of last weekend's run, and

NEVADA COMMISSION FOR THE RECONSTRUCTION OF THE V&T RAILWAY

Minutes of the Wednesday, July 27, 2022, Regular Meeting

Page 12

we are running this weekend as well. I don't believe we're at sell-out for this weekend, but we're fairly close, we're up there. You can see the revenue here on the left side and as well the correlation with the season riders. Per request, I learned something new which was how to plot zip codes. We exported the zip codes from our ticketing system of those who actually purchased. The scale here is from a light orange into a deep red based on the number of bookings from that county. It's based on county. You can see there, and I know it's hard to see. I did all sorts of different colors, and this is the best one. Reno was the highest that came through, but we had Virginia, Hawaii, Texas all over the United States. Clearly, you can see here in Nevada and California being the most heavily booked. We have reached out to Freedom Rail for their numbers. We have yet to receive it from them. We've sent them that request twice now. We'll continue to ask them for their numbers pursuant of their contract.

In terms of assets, we actually secured a quote to digitize everything. Ken had all of the engineering files transported to our depot. It's about, I think, four large filing cabinets full of files in addition to the operations files that were in the depot itself. We got a bid from a contractor to do that, we're tentatively moving forward on. Then we're really just getting ready for Polar. So last year, we had the dumpster luckily come out from Carson City to dump everything from our property but we do have a lot down at the blue hanger that needs to be trashed. That's the next thing on the list is going there and just cleaning that out and getting things a little bit more organized.

David: Would it be possible? To get a-- what is it that we had, a dumpster or a truck or what?

Allyson: We had a dumpster that they dropped for about two days-

David: Oh.

Allyson: -that we filled up completely.

David: Holy smokes.

Stephanie: I'll check.

David: Do we have as much if not more?

Allyson: If not more.

David: Holy smokes.

Allyson: The big thing that fits the length of the semi-tractor. Are those big, huge ones or?

Leah: A 30 yard?

David: That would be super. If you can, Stephanie, inquire, that'd be nice. No pressure. Failure is not an option. I think we like to say on this Commission. Thank you.

Allyson: Oh, my goodness. Moving forward. One of the things that Leah and I were chatting through, we started really, if you look at it, late May early June of last year. Things that we're doing now for Polar we weren't doing until August, September. We're feeling really confident in this season and then where we're moving forward. I did want to mention and that actually brings something up and I'll go back to operations. In terms of the fourth car for the Polar Express, we did all the math in terms of what our fees would be to Tom for the additional car because he wanted \$2,000 per day for the additional fourth car. Then I added the royalties that we would need to pay. Then tentative costs on staff. Really, we were only looking at a net revenue of around \$50,000 to add that fourth car. At the end of the day the cookies we'd need to order, the hot chocolate we'd need to order, the staffing that we would need to staff it, it just didn't seem like a cost benefit to us. We've set, Leah and I, a goal of actually hitting our sponsorships to 50,000 to compensate for that. Since we are a non-profit, our sponsorships are not liable to any royalty fee. That's the strategy that we're going to go with this year. For the time being, we will not be moving forward with the fourth car.

David: Any questions about that from the Commission as far as the direction on Polar?

NEVADA COMMISSION FOR THE RECONSTRUCTION OF THE V&T RAILWAY
Minutes of the Wednesday, July 27, 2022, Regular Meeting
Page 13

Allyson: No.

David: Thank you for that update.

Allyson: Great. With board relations, just in contract negotiations now on a few different contracts. Working with Storey County on credit card issues, accounts payable, the same things, working with Roy Street to get payments through and then putting together a planning timeline for all contract terms. Basically, we've got this word document that we're formulating of January you do this, February you do this then that translates to our internal planning system that we have. But, say that system wasn't there. There is an actual document that could be passed on.

In terms of marketing, we've hired an internal marketing manager. Her name is Leann. She may be here at our next meeting but really today's just an update on things that we're moving forward because, in all honesty, our marketing could be a little bit better. Hence why we're bringing in Leann to just help put the pieces together. We had a great call yesterday or the day before with our media buyer laying out the fiscal year plan and then Leann is working to put what we've allocated towards marketing for the fiscal and saying this is towards our media buy and here is where we're spending everything else. We're very excited about that. Then we're also designing a rack card. We're still in the design process right now but essentially what it's going to be. It's actually a brochure as well as a rack card. The brochure is going to be something that would be evergreen with things that don't really change year to year.

Then we have a separate rack card with the season schedule. We're looking to really hit the ground running on that next year, we were hoping to get it in line for this year and it just didn't quite happen. We'll have that brochure going into Polar and then next year, we'll have that little rack card insert that then can change year over year. Our social ticking up, not significantly up, but in both Instagram and Facebook, we are seeing an increase in our followers and our likes which is what you would like to see. Then our most popular post in the last month was the announcement of the rail bikes.

Quick update on our media buy. The plan did end at the end of June. Like I said, we just had the call with her to pick up where we left off. We will be running what's considered an always-on, so paid search online, etcetera. We'll be running our general line marketing through the end of October. Here's just a recap of where we landed at the end of, should say June report. In terms of overall impressions, just over a million impressions. We have two posters or billboards that they get moved about in Reno. Actually, even though our plan ended our posters are still up because they just don't have the inventory right now to replace them. The hope is that we won't really have a lapse and they're just going to pick it right back up.

We ran on TV and so here's just a recap of both May and June with May having about 1.4 impressions and June running around 2.1 impressions. Our TV is five-second and ten-second ads just due to the political window and the cost of buying television right now. For example, if you were looking to buy closer to November, some spots are going for \$35,000. It is insane. For us, we don't necessarily need 30 seconds or a minute to get our message across. We're tapered between Jeopardy, weekend news, AM, midday with that quick trains are running, visit us at vtrailway.com and it's really a quick thing. I think it's on-- no it's on the next one but it is working.

I will say that, and we'll see that based on our website. Here we do have search and display. This is going to be the thing that's the always on. Even though we don't need to market Polar, we'll still have presence if someone were to search say Virginia City train, we would still come up. Here you can see overall impressions and what's significant here is that over 30% actually clicked. It's very high, relatively speaking. Then you can see here are top keywords for our search.

Quick website updates. I did send a question over to our media buyer because I was actually surprised to see

NEVADA COMMISSION FOR THE RECONSTRUCTION OF THE V&T RAILWAY
Minutes of the Wednesday, July 27, 2022, Regular Meeting
Page 14

that the direct channel was our top channel. Based on the previous slide, I was anticipating the referral to be a little bit higher. I'm still waiting on that answer. Oh, she did reply. What did she say? [laughs] She said that it could be the way that our Google analytics is set up because traffic-wise it's coming in as direct even going back months. She thinks it's something in our Google analytics that possibly isn't picking up the referrals. We will investigate that more with Chad Antos who runs our website and who set up the Google Analytics account because, like I said, based on the previous slide of that high click-through rate, that referral should be higher. It's interesting to see that this is an increase in users in revenue because if you remember last month, it showed a decrease because it was the month after going on sale, but this is comparing it to the previous 30 days. There was a tick-up in the users and the revenue from the previous 30 days. Then, just as I had anticipated the not set city is going to continually to be higher as people are starting to block cookies and keep their information, private, use a private browser, etcetera. Then Reno being the number two and followed by the following eight. Questions?

David: Any questions for Allison earlier? Great report. I like seeing the numbers. I know we went through something too with Google for our website because they change the algorithms and changed how what's, like you said, private now what's public. If Chad could maybe take a look at the code that we have on our website to pick up some of this information, I think it's important that we are able to get as much data as we can without seeing not set or unknown or unavailable or what, so great job. It's a lot going on, so awesome. No, questions. Thank you, ladies. Now let's go ahead. 12B I don't see Tom on for a train operations report update. I think we'll go ahead and move to 12C attorney's report. Mike, do you want to go? Oh, okay. Do you want to just come up if you don't mind for just a second? Thank you.

- b. Train Operations Report – Thomas Gray, VTRR
- c. Attorney's Report – Michael Rowe

Mike: It's been very quiet. I don't have anything to report.

David: Thank you, Mike. We would like to recognize your unbelievable work on behalf of the V&T Railway Commission. We have a wonderful plaque here. I'll read it. Then maybe I can turn it around, present it to Michael S. Rowe Esquire in appreciation for over 30 years of legal services to the V&T Railway Commission. If you can see that on the camera, so, and we're going to do cake, too, after the meeting, so with great gratitude. Thank you, Mike.

[applause]

David: Anybody wants to make a comment, please feel free to jump in. Go ahead, Stephanie.

Stephanie: I just want to echo David's sentiment. We know that your involvement very early on and through the past 30 years has been critical to this Commission. We just, again, thank you very much for your services to the commission.

David: Thank you, Stephanie. Thank you again, Mike, for everything we really appreciated it. Thank you. Eyeball that chocolate cake in the back that Stephanie made via Raley's. We'll go ahead and move on to 12D engineer's report. Ken Dorr. Ken, are you still with us?

- d. Engineer's Report – Ken Dorr

Ken: Yes, I think so.

NEVADA COMMISSION FOR THE RECONSTRUCTION OF THE V&T RAILWAY
Minutes of the Wednesday, July 27, 2022, Regular Meeting
Page 15

David: Go ahead, Ken. [crosstalk] We can hear you, yes.

Ken: I don't know if you can see me, the dog crawled out of my lap. I guess I'm good to go. Apologize for not being there. I'm not ill, but my granddaughter came down with the COVID. We're in the do not pollute mode there right now so I figured I'd stay home. Just real quick. Took the opportunity to do a train ride there with the last diesel that came down the middle of the month, which is nice because you have good view of the track and all in all everything looks pretty good. Overman looks really good. Gabe has obviously done the surface and lining up there. It's going to continue to settle of course but things are looking good. Going forward, I know Gabe can jump in here, but main thing on my little to-do list was keep working away with the ballast regulator when he runs the ballast regulator, which is what dresses the ballast top on the shoulders and in the track.

Then there's a broom attachment that cleans all the rocks, if you will, off the ties. Once you run that, the track looks really good. He's going to continue with that. As I think I mentioned last meeting, we've got a little bit of work not scheduled but planned for the highway 50 bridge. It's a little more in cosmetic, but it's pretty minor, a couple items that were picked up by our inspections and as well as NDOTs. Again, based on my trip down the track the other day, everything looks pretty damn good. I don't see any big issues that are coming up at this point and I knocked on wood when I say that. With that in mind, any questions, I'll try to answer those.

David: Thank you, Ken, for that update. Any questions for Ken on the engineer's report? All right. Thank you. Appreciate that. Thank you, Gabe, again for your awesome effort on the maintenance side of things. Really appreciate it. We'll move on to 12E. Our next meeting will be in this room 9:00 AM, August 24th. Mark that on your calendars, everyone.

e. Upcoming Meeting:

- 1. Commission Meeting on August 24, at 9:00 am.*

13. COMMISSIONER COMMENTS OR ANNOUNCEMENTS, AND REQUESTS FOR INFORMATION:

David: We'll go ahead and move on to item 13, commissioner comments or announcements and requests for information. Anybody want to add anything? No? I would like to just acknowledge the Great Western Steam Up. They sold 7,500 tickets. I mentioned this at the city manager's meeting yesterday and 4,500 of those tickets were sold within, I think I said 10 days but I think it was really 7 days through the event so 4,500 of those 7,500 tickets, it's the largest ticketed event that we've had here in Carson City.

I think it was quite a cool event. Unfortunately, I wasn't here, but I heard nothing but positive. I think that people were upset they couldn't get a room in Carson City because we were completely sold out. We're doing some follow-up survey work right now to the people who purchased tickets. We've had, I want to say, about 430 to 450 responses so far. That's something that is going to come back to my CTA board but just trying to assess where these people stayed, what else they did in outside of going to the event itself. I meant to bring our new commercial spot that we shot that included the V&T, oh gosh, darn it. Is it possible you could go to our visit Carson City? I don't know if it's okay.

I could just show that, the spot. Oh, okay. Oh perfect. I know it's on YouTube but it really came out quite nicely. I think my team and the trespasser people did an incredible job, but everybody left the train side of things and we had some guys, I think I mentioned this, who worked on the *Top Gun Maverick* movie and *The*

NEVADA COMMISSION FOR THE RECONSTRUCTION OF THE V&T RAILWAY
Minutes of the Wednesday, July 27, 2022, Regular Meeting
Page 16

Mission Impossible movies. For one of these fellows, this was his greatest videography filmography, whatever you call it day on set was to do this with a live steam engine. Pretty, pretty cool. Anyway, if it works, if not, I'll share the link with the commission so y'all can-- There should just be the new one but I'm not sure about Instagram, YouTube. It should pop for-- Oh, yes. Oh, there we go. Maybe you could play that again.

[music]

Oh yes. That's our short one. We do have a 30 that's on the YouTube channel. It's kind of sliced and diced a little bit, but we, too, similar to what Allyson was saying. We're getting tens, fives to make it work for the different mediums. This ties in with our nostalgia, stays in line with our brand pillars, and our brand positioning statements. Anyway, I will share the full video link out to everybody. All right. Any other comments? Oh, go ahead.

Clay: I was just going to say I think assuming that the Steam Up happens again next year, we can start thinking about what we could do to integrate because I think we have quite a bit to offer there.

David: I totally agree. This was a unique event because it was the 150th. Celebrating Carson City, Virginia City to Reno. I know it was a big lift for the friends of, and the railroad folks, but I'm hoping that they will consider in three years or five years, I would love to do one of these railroad festivals but I'm with you. Then we'll time it so we can coordinate having the trains running because a lot of people did want to ride a full train, obviously, up to Virginia City. Agreed. Thank you. Let's go ahead and move on to public comment. Agenda item 14. Any public comment in the room? All right. Seeing none. I'd be happy to entertain a motion to adjourn.

Clay: So, moved.

David: We're adjourned. Thank you, everybody. Take care.

14. PUBLIC COMMENT:

15. FOR POSSIBLE ACTION:

The Minutes of the July 27, 2022 Nevada Commission for the Reconstructions of the V&T Railway meeting are so approved this 24th day of August 2022.

Approved by the V&T Railway Commission Chair:

