

The Minnesota Streetcar Museum

MINUTES

**Board of Directors meeting
9:00 a.m., Saturday, June 18, 2005
Linden Hills Carbarn and Shops**

Attendance:

Keith Anderson
Bill Arends, Director
Rod Eaton, Director
Bill Graham
Scott Heiderich, Director
Louis Hoffman, Director
Bob Johnson, Director
Jim Vaitkunas, Director

Call to Order: The meeting was called to order by Jim Vaitkunas at 9:00 a.m.

Construction Report. Keith Anderson reported on the contractor's progress. He noted that work was progressing more quickly with drier weather, that grading was completed, that track was in place from the carbarn to West 42nd Street (with the worn side in; all remaining track will be laid with the worn side out), that ties were being set southward from the north end, that gauge is being checked, that limestone ballast will be used, and that a No. 7 switch has been ordered for the south switch.

Approval of Agenda. The agenda was approved.

Approval of minutes. The minutes of the May 21, 2005 Board of Directors meeting were approved as amended (minutes as adopted are attached).

Financial report. Bill Graham distributed and reviewed financial statements with the Board. He reported that income to date has been \$18,821.00, mostly in donations (including \$4,000.00 from the Onan Family Foundation) and membership given our limited operating season. He noted that there were still two payments on the Museum's insurance policy in addition to regular utility bills. He reported that old MTM accounts have been closed and that some new MSM accounts have been opened (Beyer's Hardware, Lathrop Paint, and Settergren's Hardware). The role of the Finance Committee was discussed and it was agreed that its role would be to advise the Board on the budget process and on the audit and review of the Museum's finances. He reported that he had not but would open a savings account at US Bank.

The Board approved an interim financial policy that limits expenses to "essential" expenses with "essential" being defined as those needed to ensure the operation of the

Museum's railways including insurance, utilities, repair of No. 1239 (as authorized by the Board), and completion of the TEA-21 projects. All other expenses require authorization by the appropriate department head or the general superintendent and must, of course, be within the Museum's 2005 budget.

Review and adoption of budget. The budget was adopted as amended (budget as adopted is attached).

Review of proposed policies. The Operating Rules and Regulations were distributed for review and comment with the intent that they be adopted at the Board's July 9, 2005 meeting.

Review status of TEA-21 project and 2005 Como-Harriet Division operations. The construction schedule and timing were discussed, including the contractor's proposed schedule, which provides for construction to begin on June 1, 2005 and to end on August 2, 2005. Keith Anderson will contact the contractor to clarify details like whether the rails can be left in place while the bridge deck is being removed to allow the use of the speeder to facilitate removal of rail bonds and whether MSM forces can begin to install rail bonds before the contractor completes the work. The TEA-21 Track Rebuilding Project Contingency Action Plan was distributed and discussed. The last day of service will be Tuesday, May 31, 2005. More details will be available after the May 25, 2005 construction meeting. When the construction plan is final, Jim Otto will call foremen and operators to cancel shifts and arrange for station agent coverage, if appropriate.

Review of Action List. Jim Vaitkunas handed out an updated Action List, which is substantially complete. It was agreed that it would continue to be distributed but for informational purposes only.

Discussion of proposal to acquire Mesaba Railway interurban No. 16 and status of Mesaba Railway interurban No. 10. The Board voted to (1) submit a written request to the owners of No. 16 to donate it to the Museum, requesting that the Museum be permitted to keep it where is as is as long as possible to facilitate finding a secure temporary or permanent storage location and arranging for the disposition of No. 10; (2) ask Dick Stoner to be the project manager related to the acquisition, demolition, and transportation of No. 16 to Excelsior; (3) offer No. 10 to Ironworld, the Lake Superior Railroad Museum, the East Troy Trolley Museum, the Illinois Railway Museum, the Seashore Trolley Museum, and to railway museums generally via Railway Museum Quarterly contingent upon safe arrival of No. 16 but to remove usable parts and scrap the remainder if need be.

Discussion of proposal to acquire TCRT motor buses No. 1145 and 1503. The Board asked for a business plan. Louis will obtain additional information from Phil Epstein, prepare a business plan, and provide the Board with a copy of the draft agreement between the Museum and Richfield Bus Company.

Review of Recommended Practices for Railway Museums. Louis distributed copies of *Recommended Practices for Railway Museums*, a publication of the Association of Railway Museums, explained the background of *Recommended Practices*, and also distributed copies of an article from *Railway Preservation News* about the Railroaders' Memorial Museum in Altoona, Pennsylvania. The ensuing discussion led to the decision to hold a planning retreat in the fall.

Other business. The Board commended John DeWitt for his work on the website.

After some discussion of the complications and technicalities involved and the work actually being done on repairing No. 1239 and returning it to service, the Board voted to (1) direct the General Superintendent to work with the Chief Mechanical Officer to obtain a plan, including a budget and schedule, from those volunteers who have been considering how to repair No. 1239 by the July 6, 2005 Board meeting to enable No. 1239 to be returned to service yet this year and (2) authorize up to \$8,000.00 for this project. It was noted that if the cost was to exceed that amount, or if it would be advantageous to perform other work during the course of the necessary work, that that would require Executive Committee approval.

Review closing and financial settlement with the Minnesota Transportation Museum. Jim Vaitkunas reported (via Dave Kettering) that MTM closed with the Museum of Lake Minnetonka on July 6, 2005 and MTM Chair Scott Reed said that MTM would close with MSM "soon." Dave has spoken with Reed, MTM attorney Mark Larson, MTM Treasurer Dave Schultz, and MTM accountant Kevin Sullivan. It appears that the MTM-MSM closing will be in about two weeks, the delay being completion of the financial reconciliation, which is complete. The main issue now is agreeing on a date. He expects this to be done within a week with the closing to occur within a week after that. He also expects that MTM will be able to pay MSM all monies owed at the closing. Several Directors expressed concern over the accuracy of the financial reports upon which the reconciliation is being based and whether MSM is being billed for MTM's legal fees with respect to the restructuring.

Adjournment. The meeting was adjourned at 11:45 a.m.

Next meeting:

9:00 a.m.
Saturday, July 9, 2005
Linden Hills Car barn and Shops