

DRAFT

THE MINNESOTA STREETCAR MUSEUM

DRAFT Meeting Minutes.

Board of Directors Meeting

Saturday – January 28, 2012

Linden Hills Park Recreation Center Building

Minneapolis, Minnesota

Directors Present: Dave French Aaron Isaacs Todd Bender
 Scott Heiderich Chris Heck Darel Leipold
 James Vaitkunas

Directors Absent: Bob Bayers

Others Present: Keith Anderson Bill Arends Ken Albrecht
 Don Nielsen Ben Franske Ross Hammond
 John Prestholdt

Call to Order. The meeting was called to order by Board Vice-Chair, Aaron Isaacs at 9:10 AM. Chair Dave French arrived at approximately 9:20 AM and relieved Mr. Isaacs to chair the remainder of the meeting.

Approval of the Agenda. The draft agenda was approved with the following addition. Under the new business section, Director Scott Heiderich desires to brief the Directors on the status of the ESL overhead work, the wheel and flange profiles on No. 1300 & Winona 10, and the state of the overhead trolley wire support (line) poles at Como-Harriet. Chair French approved this change.

Approval of Minutes of the Board meeting held on September 24, 2011. The minutes of this Board meeting was approved by consensus with no changes.

Corporate Secretary's Report. Corporate Secretary Jim Vaitkunas informed the Board that he was elected to the Board of Directors of the Association of Railway Museums. The election occurred at ARM's annual meeting held on November 13, 2011 in Chattanooga, Tennessee. Vaitkunas stated that he has been told that active involvement as an ARM Director typically occurs only at the semi-annual meetings. Therefore, his involvement with the ARM Board should not interfere with his duties with MSM as far as he can tell.

Annual MSM Meeting and Election. Secretary Vaitkunas announced that since Director Scott Heiderich has withdrawn from the election that would have occurred over the next several weeks, that the two remaining nominees, Ben Franske and Jim Vaitkunas will be elected by acclamation at the Annual meeting on March 17, 2012. While the three members of the Nominations and Elections committee were appointed by an e-mail motion and subsequent electronic vote, they did not meet. Some preliminary coordination was done by John DeWitt, one of the committee members, but the committee did not conduct any business relative to the election other than to review the list of members who have accumulated 12 or more hours of volunteer time.

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Secretary Vaitkunas gave a brief overview of the arrangements for the annual meeting, to be held on March 17, 2012 at the Mill City Museum in Minneapolis. Start of the meeting will be 1 PM. Aaron Isaacs will have a presentation after the formal business meeting. Before and after the annual meeting, MSM members will be able to visit the Mill City Museum and enjoy the exhibits. The lunch room will be open. MSM is getting a reduced rate for the meeting room. MSM members will have to pay to enter the Mill City Museum, but the entrance fee will be reduced from the normal \$12.00 per adult. If an MSM member is also a member of the Minnesota Historical Society they can enter for free.

Revision of MSM's By-laws. Secretary Vaitkunas reported that in the course of preparing for the Director's election, he reviewed section 5.04 of the MSM By-laws and found this section to be somewhat confusing. Vaitkunas also noted that the By-laws do not make any provision for approval of changes by the Museum's members, which is common among Museums like MSM. Vaitkunas recommended that the MSM By-laws be reviewed by a working group over the next year with the end result being revised By-Laws. Vaitkunas agreed to be chair of this working group.

Recording of Volunteer Hours. This is related to the previous item regarding the list of Museum members who are qualified to vote in an election. Secretary Vaitkunas briefly discussed the problem that he and others had with recording the volunteer hours of our volunteers. For normal and charter operations, the trip sheets record the volunteer's names and hours fairly accurately. However, for non-operational volunteer time many of our volunteers are not being recorded very well. The Museum does have a policy on how to record volunteer hours but apparently few volunteers are taking the time to record their time. Vaitkunas suggested that at the end of every organized work session that someone in the group be designated to remind the volunteers to record their time.

Electronic Votes taken since the last Board meeting. Corporate Secretary Jim Vaitkunas reported that six electronic votes were taken by the Board since the last Board meeting. He proceeded to hand out a summary of the motions and e-votes for the Directors and asked them to review and concur with these votes.

Motion: Made by Scott Heiderich; 2nd by Chris Heck.

That the motions made by e-mails since September 24, 2011 and the subsequent electronic votes on those motions, are hereby confirmed.

Motion passed unanimously.

Vaitkunas then commented that in his opinion the Board is conducting too much important business by motions made by e-mail. He suggested that the Board needs to reexamine the e-vote process and consider establishing policy regarding the types of motions that can be made by e-mail. For example, should we allow e-mail motions that involve expenditure of funds? Eliminating or limiting the use of e-votes would likely delay some actions but the problem is that in his opinion too many important decisions are being

made without consideration and debate of the motions in question. Discussion on motions and topics is very difficult when the motion is made by e-mail.

Scott Heiderich commented that since we meet only four times a year, we need to continue to use motions made via e-mail and e-votes to conduct our business. Some actions just need to get done and can't wait for a quarterly Board meeting. He suggested that some things may be referred to Chair French and the Executive Committee.

Scott further suggested that we submit the annual report to the Minnesota Attorney General a little earlier than we did in 2011. Chair French replied that he had already discussed the circumstances surrounding the late report to the State Attorney General with Treasurer Anderson and they now have a solution in place.

Treasurer's Report. Treasurer Anderson introduced the Museum's new bookkeeper, Don Nielson. Don then proceeded to discuss with the Board what he has done to date and his plans for the coming year. The Directors offered profuse thanks to Don for volunteering to do this important task.

Treasurer Keith Anderson provided the Directors with the Cash Balances Report for FY 2011. He also distributed the Profit & Loss Budget versus Actual report for 2012. Discussion then ensued (questions and answers) regarding these reports.

Treasurer Anderson then distributed the proposed budget for FY 2012 and this elicited several questions, answers and discussion. Several changes were proposed and made to the budget during the discussion. Anderson stated he would send out via e-mail the revised budget incorporating the recommended changes. Anderson then asked the Board to approve the amended 2012 budget. The FY 2012 budget was then approved by consensus.

Report of restoration of Winona No. 10. Ken Albrecht gave the Board an update on the restoration of Winona No. 10. The restoration of the carbody is coming along fine and Albrecht briefly described what has been done since the last report in September and what his group intends to do in the coming months.

We now have nine volunteers working on Winona No. 10. The project just got a new volunteer, a doctor who likes to do woodwork.

We are now committed to the truck and motor work and the work won't be cheap. The truck is now totally dismantled and being worked on at Lyons Industries in Ebensburg, Pennsylvania. The truck was more severely deteriorated than we had first thought with some of the cracked/broken castings having to be recast new. The two GE-800 motors for the car are at AC Electric in Bangor, Maine and are being worked on.

Albrecht estimates that given the progress now being made, Winona No. 10's vestibule will be completed by the end of 2012. He cautioned the board that cost estimates for a lot of this work are just that—guesses. He also reported that cost of hardware and other materials is going up. So, cost estimates will be going up over the years.

Ken mentioned redoing the patterns for No. 1300's brake shoes. Cost will be around \$1,200. Two air compressors are also being rebuilt by AC Electric one of which is for W10. When two come back we'll send one more to AC Electric to have it rebuilt as a spare.

General Superintendent's Report. MSM General Superintendent, Bill Arends reports.

- We ended 2011 on a low note with the cancellation of the last day of operations, Sunday, December 5th because of a bad air compressor and a short circuit in the interior lighting circuit of No. 1300. Jim Willmore and Karl Jones are working on re-wiring the ceiling lights. We will try to use the original ceiling panels removed to re-wire the lights but one or more of the panels might have to be replaced.
- Compressor problem (broken brush) on No. 1300 has been fixed but we haven't tested the compressor to make sure it's working properly.
- The electric heaters were installed in No. 1239 and work fine.
- Annual maintenance on No. 322 is pretty much completed.
- The Isaacs shop crew is now doing annual maintenance on No. 1300.
- No. 265's window sills are pretty much done.
- Through the efforts of Scott Heiderich, the Museum now has snow blowers for both lines. New member Don Sundell did the work to make them serviceable, spending over \$100 of his own money on parts and materials donated to MSM.
- Dennis Stephen's brother Stuart is an Electrical Engineer has been helping out a lot on the Isaacs car barn electrical work. We owe a huge thanks to Dennis and Stuart. Stuart also donated an electrical panel worth over \$1,000. Vaitkunas suggested we give a tangible token of appreciation, e.g., give him a family season pass. The Board concurred with such a gesture of thanks.
- Charter Agent Jerry Olsen reported that 38 charters were operated in FY 2011 carrying 1500 passengers with revenue of \$2,500. Arends offered the suggestion that we also open up the Linden Hills station during charters to gain some extra revenue from merchandise sales.
- CHSL had ridership of around 32,000 in 2011. CHSL carried about 1400 more riders in FY 2011 versus FY 2010. Vaitkunas recommended to John Prestholdt that the passenger statistics from ESL be merged into the master spreadsheet.
- Matt Leibel purchased 3M platform striping and this should be installed in the spring.
- Charles Barthold reports that in merchandise sales we're short \$1,300 in revenue sales versus inventory. This is probably because of cash register errors made by our volunteers.
- Also we ended up \$1300 short in deposits versus cash register reports, again probably because of cash register errors made by our volunteers.
- Arends reported on the interesting statistics on the special events we conduct each fall. These special events are extremely good money makers and are really important to both railway lines.

Excelsior Streetcar Line Superintendent's Report. Bruce Kobs, the ESL Superintendent is now living in Florida for the winter and is unable to report to the Board in person. Kobs previously submitted a report to the Board in memorandum form which is incorporated into these minutes as follows.

Thank you to Don Nielsen for the attached charts and graphs to show performance at ESL in 2011. (The graphs and charts will be made a part of the records of this meeting.)

When comparing 2010 and 2011, ESL ridership decreased by 7% for a total ridership of 6,345. May was wet and cold with 673 less riders; Thursday ridership, because of the relocation of the Farmer's Market was 885 less. Story Time Trolley was 43 less. We added five 4-hour runs on Saturdays in September and October which added 183 riders. The Haunted Halloween Trolley increased 205 riders and the Santa Trolley increased 147 riders, at \$ 3.00 for each fare that is \$ 441.00 increase in revenue for the Santa Trolley. Total revenue was \$ 12,550.00, a decrease of 6%.

Ten graduates of the MSM training program became operators at Excelsior in 2011. These volunteers contributed 205 operating hours which helped Marv Krafve on scheduling personnel.

What is new at ESL for 2012?

1. We need to formulate a trail policing policy for the Haunted Halloween Trolley with ESL, the Historical Museum and the City of Excelsior.
2. Excelsior Bay Bookstore suggested Story Time Trolley be scheduled at 5pm and 6pm because of feedback from parents of the riders. Our 6:30pm was too late in the evening: "The children needed to get ready for bed." These new times are on our 2012 schedule.
3. We plan to make power point presentations to the Minnetonka Schools primary summer day programs, west suburban nursery schools and senior citizen residences. These presentations will present a history of Twin City Lines in Minneapolis with the thought of getting our audiences to ride the streetcar. Many of these groups can't afford charters so we will encourage them to ride on Thursdays, at normal fares, now that the Farmer's Market is not feeding us riders.
4. To encourage ridership at the Excelsior Boulevard end of our line, we will place a park bench giving passengers a designated place to wait. This bench will have our operating information painted on it.
5. As of January 2012, the Farmer's Market will still be located at the Mt. Calvary Church parking lot, about two blocks from the Water Street platform of our streetcar line. We just need to wait out this relocation. The Minnetonka School system has purchased the rear of Lyman Park. They plan to develop the area with access to/from Excelsior Elementary School, pave the parking lot and place a power pole for electrical access to be used for public functions. We hope that functions will again held in this area thereby giving the streetcar a closer place to attract riders.. We just need to plead our case to the City, the Minnetonka Schools, and the merchants to allow this property to once again stage civic functions.

Director Todd Bender discussed the problems with Halloween trolley. All agreed that MSM needs to do as much as we can to keep the ghost trolley operations safe. Scott Heiderich mentioned that on one instance he observed an operator interacting with the

passengers while operating the streetcar during Halloween. Todd reported that the Operator in questioned was counseled.

Scott briefly discussed the overhead line pole work at ESL. Approximately \$4,000 was spent on the overhead pole anchors and other necessary work.

Isaacs Carbarn Improvements Project. John Prestholdt updated the bathroom project. The bathroom will be built in the southeast corner of the Isaacs shop (maintenance barn). Unfortunately, the large shop air compressor and the shop's electrical panel are in the way and must be moved. We got the new power panel donated saving us quite a bit of money. Stuart Stephens, Dennis' brother has been helping us a lot. The bathroom group is working on obtaining bids for the electrical work. Several diagrams and photos of the area were circulated. The new panel will take care of all current and future shop power needs.

Aaron Isaacs then provided a brief report on the long-term carbarn expansion project. He is currently working with the Park Board planning people. The Park Board will consider the carbarn expansion project at a planning meeting in February. Isaacs stated that we owe a big thanks to Dennis Stephens for his help with all the carbarn work. Regarding the building the shop extension, Isaacs cautioned that the City of Minneapolis may have objections to a building under the Linden Hills Boulevard bridge. Isaacs also reminded everyone regarding the concern that the Water District has about the increased water run-off caused by the larger roof area that would be created if/when we actually expand the carbarn building to the east and south.

Other Business. Scott suggested that the Museum needs to start to plan to replace the overhead line poles at Como-Harriet. All of them are at least 40 years old and several already need replacing. We need to establish a budget item to support systematic line pole replacement over the next 10-15 years. This is a major budget item as wood poles cost around \$400 each although we may be able to get donated good used poles. It has been suggested that we should purchase a used truck to set poles and ground anchors. Heiderich reported that these trucks can be purchased for a reasonable amount at auctions.

Heiderich then provided the Board with a detailed update on the status of the wheels on No. 1300 which were put on the car in the 1970's. Scott reported that we need to plan now to have all of No. 1300's wheels turned down and re-profiled.

Energy Efficiency/Cost Reduction Briefing. After the meeting was adjourned, this briefing was conducted by Ross Hammond at the suggestion of Aaron Isaacs.

Date and Location of Next meeting: The next Board meeting will be held in May, 2012 on a date and at a location to be coordinated by the Board Chair and the Secretary.

The meeting adjourned at 11:15 AM.

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James A. Vaitkunas
Corporate Secretary

Attachments – Excelsior Streetcar Line year ends reports