

NEVADA COMMISSION for the RECONSTRUCTION of the V&T RAILWAY

Monday, June 5, 2006 - 3:00 p.m.

NACO Building - 201 South Roop Street – SECOND FLOOR CONFERENCE ROOM
Carson City, Nevada 89701

MEETING MINUTES

3:00 P.M. CALL TO ORDER

1. ROLL CALL

The Chairman called for the roll to be called.

PRESENT:

Vice-Chairman Flanagan
Commissioner Allen
Commissioner Tyson
Commissioner Ayres
Commissioner Teixeira
Commissioner Baushke
Commissioner Weber
Chairman Hadfield

ABSENT:

Commissioner Hillyard

It was noted that there was a quorum present.

2. APPROVAL OF THE AGENDA

This is the tentative schedule for the meeting. The Commission reserves the right to take items in a different order to accomplish business in the most efficient manner.

Commissioner Baushke made the motion to approve the Agenda. The motion was seconded by Commissioner Allen. Chairman called the question and the motion carried and was so ordered.

3. ACTION TO APPROVE THE MINUTES OF MAY 1, 2006 AND MAY 18, 2006

The Chairman called for approval of the May minutes. Commissioner Allen made the motion to approve the Minutes of May 1, 2006. His motion was seconded by Commissioner Flanagan. Commissioner Allen also made the motion to approve the Minutes of May 18, 2006. This motion was seconded by Commissioner Tyson. The Chairman called the question on each individual motion and both motions carried and were so ordered.

4. PUBLIC COMMENT ON NON-AGENDIZED ITEMS: *Discussion may be limited to three minutes per person at the discretion of the Chairman. No action may be taken on a matter raised under this portion of the agenda until the matter itself has been specifically included on an agenda as an item upon which action may be taken.*

There were no public comments.

5. COMMISSIONERS CONSENT AGENDA: *ALL MATTERS LISTED UNDER THE CONSENT AGENDA ARE CONSIDERED ROUTINE AND MAY BE ACTED UPON BY THE COMMISSION WITH ONE ACTION AND WITHOUT AN EXTENSIVE HEARING. ANY MEMBER OF THE COMMISSION OR ANY CITIZEN MAY REQUEST THAT AN ITEM BE TAKEN FROM THE CONSENT AGENDA, DISCUSSED AND ACTED UPON SEPARATELY DURING THIS MEETING.*

5.1. ACTION TO RATIFY THE PAYMENT OF BILLS SUBMITTED

****END OF CONSENT AGENDA****

(Commissioner Weber joined the meeting.)

Commissioner Baushke made the motion to accept the Consent Agenda. The motion was seconded by Commissioner Flanagan. Chairman called the question and the motion carried and was so ordered.

6. REPORT AND ACTION TO APPROVE AUDIT FOR FISCAL YEAR ENDING JUNE 30, 2005 – MARY SANADA

There was discussion on the Audit for Fiscal Year ending June 30, 2005 as presented by Mary Sanada. Upon completion of the discussion, Commissioner Teixeira made the motion to accept the Audit as presented. Commissioner Ayres seconded the motion. The Chairman called the question and the motion carried and was so ordered.

7. DISCUSSION AND POSSIBLE ACTION TO RESCIND AS MOOT THE INTERLOCAL AGREEMENT DATED SEPTEMBER 13, 2004 WITH CARSON CITY CONVENTION & VISITORS BUREAU BASED ON TRANSFER OF FUNDS PLUS INTEREST TO THE COMMISSION'S ACCOUNTS WITH CARSON CITY, AND TO REQUEST THAT CCCVB TAKE SIMILAR ACTION AT ITS NEXT BOARD MEETING.

Commissioner Teixeira made the motion to rescind as moot the Interlocal Agreement dated September 13, 2004 with Carson City Convention & Visitors Bureau based on the transfer of funds plus interest to the Commission's accounts with Carson City and to request that CCCVB take similar action at its next board meeting. The motion was seconded by Commissioner Tyson. The Chairman called the question and the motion carried and was so ordered.

8. DISCUSSION AND POSSIBLE ACTION ON CLEAN UP REPORT WITHIN THE CONTRACT WITH GRIFFIN GROUP, LLC – JOE HATTRUP

Discussion on the clean up was held and Kim Fegert from the Gold Hill Historical Society discussed the storage site. Commissioner Baushke asked how much the property discussed was worth and how much the fencing would cost. Kim told him it would cost approximately \$2,000-3,000. Chairman Hadfield asked what all would be stored at the site. There was further discussion and Commissioner Allen asked why things weren't placed at American Flats. Commissioner Baushke asked if other things could also be stored with fencing in place. Commissioner Allen asked how large of an area would be fenced and Commissioner Tyson asked if it would interfere with the sidings. There was further discussion and Commissioner Teixeira suggested they get an estimate. Others asked questions and discussed the item and Chairman Hadfield asked about a time line while Commissioner Flanagan asked about surveying. This item was tabled until further information was available.

9. DISCUSSION AND POSSIBLE ACTION ON REQUEST BY PACIFIC LOCOMOTIVE ASSOCIATION TO USE LOCOMOTIVE #18 FOR AN EXCURSION AND DISCUSSION AND POSSIBLE ACTION ON PROPOSAL TO ACQUIRE V&T BAGGAGE CAR.

Chairman Hadfield spoke about a letter they had and Commissioner Allen discussed the car in question. Commissioner Tyson asked about the condition of the car. Mike Rowe spoke about the accessibility for the disabled folks who would want to ride the train. He also spoke on the conditions and insurance as there were concerns about weight. Commissioner Teixeira asked when the engine would be inspected and Commissioner Allen discussed locations. Commissioner Tyson suggested that before the Commission made a decision they should look at the car. Chairman Hadfield stated that he did not want to use track dollars to buy equipment. Commissioner Tyson said that if they were to run a night train, the car could haul a generator. The advantages and disadvantages were discussed. Commissioner Teixeira suggested that they let the Operator make the decision and Commissioner Ayres agreed with him. Other advantages and disadvantages were discussed such as: not enough information, getting it inspected and costs, having someone from the Commission (Tyson or Allen) look at it. Mike Rowe suggested they have Stone Consultants take care of it under their contract. Commissioner Allen moved to have Mike contact Stone Consultants and have inspectors in the area to check it out and get the amount it would cost. Commissioner Tyson seconded the motion. The motion passed unanimously.

10. DISCUSSION AND POSSIBLE ACTION ON REPORT BY STONE CONSULTING AND DESIGN (RANDY GUSTAFSON) ("STONE") INCLUDING RFQ FOR RAILROAD OPERATOR

Mike Rowe discussed the Draft Request of the Excursion Railroad Operator Selection Draft for Proposal. Mike discussed the Time Table as shown on page 13 of the draft copy. Chairman Hadfield

asked if the Time Table was flexible and would they be able to have an agreement by December 2006. The Time Table was discussed further and Commissioner Ayres made a motion to accept page 13 of the Draft RFP subject to possible changes if necessary. Commissioner Baushke seconded the motion. Commissioner Teixeira clarified if it was the RFQ or RFP. Commissioner Baushke made a motion to accept the document and Commissioner Tyson seconded it. The motions were approved and so ordered.

11. REPORT ON PHASE 2-4 ENGINEERING WORK - KEN DORR

Ken Dorr and Gary Luce gave the report for Phase 2-4 Engineering Work. Chairman Hadfield asked when Phase 1 closed and Steve Oxoby said the Contractor (Granite) had until June 11.

It was stated that Lyon County wanted to extend the 16" water line and attach it to our bridge. Commissioner Teixeira said they could not take action on it because they were not agenzized for it. Lyon County will be asked to bring a proposal and it could be agenzized for another meeting.

Commissioner Teixeira asked if they were going through the tunnel or daylight it. Gary Luce discussed Tunnel 2 and said that 30-40 feet had collapsed into the hill and they may have to daylight part of it. Commissioner Teixeira asked if it would come within the estimate and Gary said it would. Chairman Hadfield asked about the EDA letter and if the tunnel project worked with the EDA Grant. Commissioner Baushke asked if they would be able to go to bid on time and Ken said they were in good shape. The tunnel was discussed further.

Commissioner Tyson asked about the Frehner Pit and Decommissioning Services. Ken said they were negotiating with Decommissioning Materials and Bardon Materials.

12. REPORT ON RIGHT OF WAY AQCQUISITIONS - MICHAEL ROWE

Mike Rowe talked about "Decommissioning Services". There are three properties and they need appraisals. The Nye Parcel is done. The appraisal process is slow but they do have five parcels on the table. There was further discussion.

13. DISCUSSION AND POSSIBLE ACTION ON REPORT BY OPERATING COMMITTEE - RON ALLEN

Commissioner Allen discussed the proposal as presented in the Operating Committee's report. There were pros and cons on the proposal and it was noted that it was just an option. Chairman Hadfield said he would not support building a temporary Depot, he only wants to build track. Commissioner Teixeira spoke on keeping "Interest" in the project and made a motion to accept the Operating Committee's report and not take action on it. Commissioner Weber seconded the motion. Commissioner Baushke said to note for the record that the report could be discussed with an Operator. Everyone agreed and the motion carried unanimously.

14. NORTHERN NEVADA RAILWAY FOUNDATION REPORT – COMMISSIONER JANICE AYRES

Commissioner Ayres talked about the great coverage from the Nevada Appeal and thanked Becky Bosshart. She discussed the car they have for sale on E-Bay and the carnival to be held in Gardnerville.

15. REPORT BY PROJECT COORDINATOR - KEVIN RAY

Kevin talked about the website that is being worked on for the Commission and that it is built and now needs the final editorial and information reviewed before going "live." He also stated the new direction for the commercial being shot for the license plates will include Las Vegas entertainer Dennis Bono shooting the commercial for the Las Vegas market and that Commissioner Tyson will shoot a commercial to run in the "Rural Markets." He has a couple presentations to give in June and will have the commercials shot within two weeks.

16. COMMISSION CHAIRMAN REPORT - ROBERT HADFIELD

Chairman Hadfield has no further comments on his report.

17. COMMISSIONER COMMENTS

Commissioner Tyson suggested that they use the steam engine to help build the track.

to. Commissioner Weber stated that there is additional Washoe County money that we can look forward

18. ACTION ON THE NEXT COMMISSION MEETING

The next regular meeting of the Commission for the Reconstruction of the V&T Railway will be on Monday, July 10, 2006. The time and place will be the same.

19. ADJOURNMENT

Commissioner Teixeira made a motion to adjourn the meeting of the Commission for the Reconstruction of the V&T Railway. Commissioner Baushke seconded the motion and the meet was adjourned.