

NEVADA COMMISSION for the RECONSTRUCTION of the V&T RAILWAY

Monday, July 10, 2006 - 3:00 p.m.

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

MEETING MINUTES

The following minutes are a summarized explanation of the topics discussed. A taped recording of these proceedings will be kept for review. A copy is on disk in Microsoft Word and a copy has been e-mailed to Project Coordinator.

3:00 P.M.

CALL TO ORDER

Chairman Hadfield called the meeting of the Nevada Commission for the Reconstruction of the V&T Railway to order at 3:00 p.m. He then asked for the roll to be called.

1. ROLL CALL

Kevin called the roll.

PRESENT:

Chairman Hadfield
Vice-Chairman Flanagan
Commissioner Allen
Commissioner Baushke
Commissioner Ayres
Commissioner Teixeira
Commissioner Weber (via phone)

ABSENT:

Commissioner Hillyard
Commissioner Tyson

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 Allen made the motion to accept and approve the agenda for the meeting of July 10, 2006. Commissioner Weber seconded the motion and the motion carried and was so ordered.

3. ACTION TO APPROVE THE MINUTES OF JUNE 5, 2006

Chairman Hadfield called for changes to the minutes of June 5, 2006 and none were stated. Commissioner Ayres made the motion to accept the minutes of June 5, 2006 as presented. Commissioner

Allen seconded the motion and the motion carried and was 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.

Chairman Hadfield called for public comments non-agendized items. Tom Gray reported he was working on the Certification Process for Engineers. He is making up a rough draft of the operating rules. He is working on the tests and he discussed what the tests were that all engineers would have to pass along with other qualifications they will need to meet.

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 Ayres made the motion to accept the Commissioner's Consent Agenda Item 5-1. Commissioner Allen seconded the motion and the motion carried and was so ordered. Commissioner Teixeira asked how much was left of the Stone Consultants \$15,000. Kevin told the Commission they were out of funds at this time.

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

Joe came forward and reported on his portion of work. He referred to Ken's layout of work completed and non completed work. They are currently at Mound House and they figure to be done around the first of July. The scrap that is still at American Flat will probably be out of there this week. Everything else will get done with no problems. The one big item is the OTM & the new 90# ARA Class 1 rail will get here sometime the first of August. They are working on the exchange of 85# rail & OTM for 90# rail & OTM. The rail was discussed by Ken and Joe.

Commissioner Teixeira asked if they needed to take action on the rail. Ken explained that they wanted to exchange 66 pieces of 85# rail for 27 pieces of 90# rail. Commissioner Allen made the motion to approve the exchange of the 85# rail for 90# rail and to accept the report as presented. The motion was seconded by Commissioner Baushke and the motion carried and was so ordered.

7. DISCUSSION AND POSSIBLE ACTION TO ACCEPT DONATION OF MATERIALS FROM GOLD HILL HISTORIC SOCIETY – KIM FEGERT

Commissioner Baushke made the motion to accept the donated materials from Gold Hill Historic Society which consisted of 41,580 pounds of rail and associated hardware amounting to \$1,039.50. Commissioner Allen seconded the motion and the motion carried and was so ordered.

8. PHASE 2-4 ENGINEERING WORK REPORT - KEN DORR

Ken had an Engineer's Report he had drafted which he discussed.

Phase 2C; the engineering plans from Frehner Pit down and across Hwy 50. They are done with the 60% Plans with exception of the drainage design. The plans should be done within the month and will be submitted to NDOT and other agencies for review. The completion of these plans gives them the basis for the Rights of Ways. Upon them being finalized, they will do the Right of Way Setting in August and then Mike can continue with the appraisals.

Lyon County Waterline; Lyon County wanted to hang the line from the bridge and they are working on an alternate alignment as well as the utility relocations required for construction.

Frehner Pit Re-alignments are being worked on, and will be presented to Bardon Materials.

Hilltop Pit Alignment which is the Serpa Property; Ken will be meeting with Ben Maddox to work out those alternatives.

Phase 3-4 Engineering; they had to do some surveying there even though they are not contracted there yet. They decided they needed to re-fly the Topographic and re-map it.

Phase 2A/2B, they are working on the Tunnel #2 and he showed some pictures of the progress and discussed each one.

The Phase 2A/2B Cultural Resources Inventory Report has been submitted to BLM for review and a formal presentation to FHWA will be next month.

Phase 2A/2B Construction Plans, the final designs will be started on next week. They expect 100% Plans and Contract documents to be complete in September or early October and ready to submit to Agencies for review. We're looking at a bid date of mid January 2007.

Phase 1 Maintenance Engineering, Tom Gray has raised the track and re-ballasted it. They will tamper it in the near future. Tom Gray will submit an invoice for his work and the total cost to the Commission is expected to cost \$1600-\$1850.

9. DISCUSSION AND POSSIBLE ACTION TO AMMEND AGREEMENT WITH JOHNSON-PERKINS TO AUTHORIZE AN ADDITIONAL \$25,000.00 FOR APPRAISAL SERVICES. RECOMMENDED MOTION FROM LEGAL COUNSEL MICHAEL ROWE:

TO APPROVE THE APPRAISAL CONTRACT AMENDMENT REQUESTED BY JOHNSON-PERKINS & ASSOCIATES, INC. AS SET FORTH IN THE JUNE 9, 2006, PROPOSAL, AND AUTHORIZE AN ADDITIONAL \$25,000 TO BE EXPENDED BY THE COMMISSION FOR CONTRACT APPRAISALS FOR PHASE 2 AND PHASE 3 OF THE PROJECT. THE CHAIRMAN OR GENERAL COUNSEL IS AUTHORIZED TO EXECUTE THE APPRAISAL CONTRACT AMENDMENT REQUESTED BY JOHNSON-PERKINS & ASSOCIATES, INC.

Chairman Hadfield expressed the reasoning behind this item and explained where Counsel Rowe was. Commissioner Teixeira made the motion to approve the appraisal contract amendment requested by Johnson-Perkins & Associates, Inc. as set forth in the June 9, 2006, proposal, and authorize an additional \$25,000 to be expended by the Commission for contract appraisals for Phase 2 and Phase 3 of the Project. The Chairman or General Counsel is authorized to execute the appraisal contract amendment requested by Johnson-Perkins and Associates, Inc. The motion was seconded by Commissioner Baushke and the motion carried and was so ordered.

10. NORTHERN NEVADA RAILWAY FOUNDATION REPORT – COMMISSIONER JANICE AYRES

Commissioner Ayres reported they sold the Cadillac for \$3,350. The Foundation sent out subscription cards to those subscribers to the V&T Paper with a note stating for another \$100 they would get their name on the wall of supporters. She said they had already received \$2,000 from those cards. The carnival planned for September 8-9-10 will be sponsored by Carson City. Mary Sanada will be working on the audit for the Foundation.

11. PROJECT COORDINATOR REPORT - KEVIN RAY

Kevin discussed the commercial they made and it will be shown at the next meeting along with the web site. The commercial will start airing in Las Vegas around Labor Day weekend. Kevin will have new percentage numbers on the sale of license plates at the next meeting. He was able to give a brief statement on the railway at the Concert held on the Legislative lawn. Commissioner Ayres said they would be pulling the ticket on the Wooden Train Sunday the 16th and Commissioner Flanagan agreed to pull the ticket.

12. COMMISSION CHAIRMAN REPORT - ROBERT HADFIELD

Commissioner Hadfield had nothing further to report as he had already made his comments.

13. COMMISSIONER COMMENTS

Commissioner Baushke said that he has heard a lot of positive feedback on the project. But, Bill Manders, on the radio station 780AM is very anti the project. He may do damage if they don't talk with him and bring him up to date on what they are doing. They will set up a meeting to talk with him and educate him.

Commissioner Teixeira noted that the property tax assessed on the building they are leasing out came to \$3600 a year. They got it re-assessed and knocked it down to \$1200 a year, so they are okay.

Commissioner Weber reminded them they needed to request the donated money from Washoe County. There is \$225,000 waiting for them.

14. 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, August 7, 2006. The time and place will be the same.

15. ADJOURNMENT

Commissioner Ayres made a motion to adjourn the meeting of the Commission for the Reconstruction of the V&T Railway. Commissioner Allen seconded the motion and the meet was adjourned at 4:00 p.m.