

Mid-Continent Railway Historical Society, Inc.
Minutes of the December 2011 Annual Board of Directors Meeting

Date: December 17, 2011.

Location: MCRHS Office Building

Roll Call:

Directors:

R. Anderson
J. Bloohm, President
S. Brist, arrived 11:58 AM
M. Deets
B. Handschin, Treasurer
A. Joyce, arrived 11:40 AM
R. McLeod
C. O'Brien
D. Schumacher, Vice President
J. Sorrel
K. Thomsen
D. Viste, Arrived 11:07 AM

Other Officers:

K. Bauman, Secretary

Guests:

N. Miller
R. Lichter
L. Rowe
D. Meyer

Meeting called to order at 11:01 AM by President Bloohm.

11:03 AM – M. Deets moves and D. Schumacher seconds to appoint D. Viste to another three year term. Motion passed unanimously.

11:04 AM – B. Handschin moves and C. Obrien seconds that the Board expresses its appreciation and gratitude to former Director Dale Scobie for his time and efforts on the board. Motion passed unanimously.

The next regular meeting of the board will be Saturday, March 24, 2012 at Noon in the North Freedom Village Hall.

11:05 AM – B. Handschin moves and R. McLeod seconds to approve the agenda and allow the President the option to go out of order as needed to effectively conduct the meeting. Motion passed unanimously.

Reports are given of directors actions to the benefit of the corporation in the last quarter.

11:10 AM – The minutes of the September 2011 Regular Meeting stand approved as presented.

Election of officers:

R. Anderson nominates D Schumacher for Vice President of MCRHS. D. Viste moves and B. Handschin seconds to close the nominations and elect D. Schumacher vice president. Motion passed unanimously, and D. Schumacher is unanimously elected vice president.

D. Schumacher nominates K. Bauman for Secretary of MCRHS. M. Deets moves and B. Handschin seconds to close the nominations and elect K. Bauman secretary. Motion passed unanimously, and K. Bauman is unanimously elected secretary.

As B. Handschin does not wish to server another term as Treasurer and there are no nominations. This item will be moved to the agenda for the next meeting. B. Handschin will remain as Treasurer until replaced as per the by-laws.

President Bloohm passes the gavel to vice president Schumacher.

D. Viste nominates J. Bloohm for President of MCRHS, B. Handschin seconds the nomination. D. Schumacher moves and B. Handschin seconds to close the nominations and elect J. Bloohm president. Motion passed unanimously, and J. Bloohm is unanimously elected president.

Vice president Schumacher returns the gavel to president Bloohm.

11:16 AM – R. Anderson moves and D. Schumacher seconds for the Board to thank president Bloohm for the time and effort he has made on behalf of the board as president and acting manager. Motion passed unanimously.

11:17 AM – B. Handschin moves and R. Anderson seconds to set the Registered Office as E8948 Museum Rd., North Freedom, WI. Motion passed unanimously.

11:18 AM – B. handschin moves and D. Schumacher seconds to appoint J. Bloohm as the registered agent. Motion passed unanimously.

11:19 AM – R. Anderson moves and M. Deets seconds to appoint Community First Bank of Baraboo, WI as the official depository. Motion passed unanimously.

Reports:

1385 reports:

As DRM of Lake Delton is the primary contractor for the rebuilding of the 1385's tender and running gear, they will not allow MCRHS members and volunteers to view the work during working hours. This is due to insurance and safety issues for those entering the work floor. DRM is willing to have weekend dates set up for visits if we want to arrange them for volunteers and members to see the progress.

Audit:

Preliminary have been started, the auditors will be onsite the first part of January.

President's Report:

We have received an official offer from the Age of Steam Roundhouse for the purchase of our wheel lathe for \$15,000. Before we do anything he must go through normal channels. Also there was a string attached to it with the original donation was received. Namely, that once we had it running, we must allow any other steam operation to use it. Although we are allowed to charge a fee. Would the string be enforceable if we sell it?

Member J. Connor sold his SOO line caboose to member M. Laabs. The collections committee did state it meets the collection criteria. According to the Private Equipment policies, M. Laabs is requesting permission from the Board to keep the car on the property, if approved the PEOC will draw up a lease.

11:42 PM – M. Deets moves and C. O'Brien seconds to allow member M. Laabs to keep the caboose on property. Motion passed unanimously.

Sauk County has stated that the County does not have the power to grant an exemption to flood way rules to allow vehicle "camping" in the flood way. Well have to either move all cars off tracks, or move the tracks so that they are not in the flood way. Additionally we must make the restrooms compliant with the rules. We have been informed we have one year to come into compliance. However Sauk County will do what they can to work with us on these issues.

12:00 PM – B. Handschin moves and K. Thomsen seconds that the Board acknowledges the situation regarding the restrooms and outfit cars that are in the flood way. And further the Board requires that the president appoint a committee to report back specific recommendation by the March meeting. Motion passed unanimously.

Fund Raising:

Efforts have been mainly with 1385 challenge grant. The Wagner's are happy with us and our efforts so far.

Mazomanie:

The current major project has been sorting through MCRHS archives trying to better organize them. Since mid-July, when records began to be kept, attendance has been about 485 guests. But this doesn't include private tours. The Gandy Dancer Festival was held in August. About 2,000 people attended. Attendance is an estimate only, since there is no gate entry. Many of our new donor contacts have come from the festival. Additionally many of these donors do not normally donate to MCRHS through North Freedom. Don Meyer encourages us to base any decision for the future of these projects on if the board sees the projects as being strategically

important to MCRHS. President Bloohm adds, that in terms of the archives stored at Mazomanie, we have received an acceptance letter from Lake States Railway Historical Association, Inc. agreeing to accept the donation of the Fairbanks-Morse drawings and materials.

1:12 PM – B. Handschin moves and R. Anderson seconds to donate the Fairbanks-Morse drawings and materials to Lakes States Railway Historical Association, Inc.; to be moved and stored by them at their expense. Motion passed with 9 votes in favor, J. Sorrel against, and S. Brist and D. Viste abstaining.

Meeting stands in recess at 1:14 PM.

Meeting recalled to order at 1:40 PM.

Reports Continued:

Treasures report:

We need to start separating capital projects from operation costs. Our variable expenses are not well documented, nor are the total expenses per rider. We may want to consider cutting scheduled trains from the middle of week. We should be looking at our operations to find ways to keep people on property all day. We should also consider general admissions in addition to train ride.

Management Committee Report:

Creating other events have been discussed by the committee. Additionally the committee has been talking about oversight processes for large contract projects. Especially auditing of projects, such as are they complete or is there more to do, etc? They find there is much refining of processes needed.

Elections Committee:

There were 135 Ballots returned, 1 was discarded as not meeting the requirements of the instructions, and 2 ballots were cast improperly. The results of the count are as follows:

Director #1: (122 Total Votes)

D. Schumacher	113	(Retains His Seat)
R. Lichter	3	
B. Long	2	
R. Ristow	1	
J. Menenga	1	
R. Goddard	1	
J. Slinde	1	

Director #2: (125 Total Votes)

B. Handschin	81	(Retains His Seat)
R. Ristow	41	
R. Lichter	3	

Director #3: (128 Total Votes)

K. Thomsen	116	(Seated Immediately)
R. Lichter	6	
R. Ristow	2	
B Long	2	
J. Slinde	1	
W. Tisler	1	

Secretary's Report:

In the past quarter, I'm sorry to report that member Clark Barry passed away. In addition we added new Associate Members: Dayton Woest, Nathan Mendl, Daryl Lund, David Schroeder, Jacob Cardille, Mark Krause, and Dave Wheeler, Jr. We have also received a request from Willard Behnke to upgrade from the Associate level to the Regular Member level. Willard has met all the requirements of the by-laws to upgrade his membership level. This brings us to 270 Associate Members, 183 Life Members and 117 Regular Members. We also have 18 Honorary Life Members.

It should be noted that the Office received a letter from Director Joseph Dillenburg stating that he is resigning his position as of Dec. 14th, 2011. Mr. Dillenburg's position on the board is as a board appointed director, and as such his replacement is governed by board appointment.

2:18 PM – S. Brist moves and B. Handschin seconds to accept the resignation with gratitude for J. Dillenburg's time and efforts as a Board member. Motion passed unanimously.

TRAIN and ARM Convention Report:

TRAIN and ARM will be merging together by the fall of 2012. Their new name will be the Association of Tourist Railway Museums. In speaking with representatives from our colleagues in the industry, the recent decrease in ridership is being seen in general across the industry. Many other places are looking to create new events and promotions to try to counteract this trend.

Collections Committee Report:

The Collections Committee presented the minutes of their last meeting as their report to the board.

Unfinished business:

2:37 PM – B. Handschin moves and M. Deets seconds to designate \$1,000 from the proceeds of the Flagg Coal 75 event for the 1385 rebuild fund. Motion passed unanimously.

Membership upgrades:

2:42 PM – C. O'Brien moves and K. Thomsen seconds to approve the membership upgrade of Willard Behnke to Regular Member level. Motion passed unanimously.

New Business:

2:43 PM – B. Handschin moves and R. McLeod seconds to continue sponsoring the Gandy Dancer Festival in 2012. Motion passed with 6 votes in favor; K. Thomsen, J. Sorrel, C. O'Brien, and S. Brist voting against; and D. Viste abstaining.

2:49 PM – B. Handschin moves and D. Schumacher seconds to continue the Museum for the Milwaukee Road satellite for the year 2012. Motion passed with 7 votes in favor; J. Sorrel and C. O'Brien voting against; and D. Viste and K. Thomsen abstaining.

2:51 PM – M. Deets moves and R. Anderson seconds to proceed to rent adequate space for the Museum for the Milwaukee Road satellite and the MCRHS archives in 2012. Motion passed with 7 votes in favor; J. Sorrel and C. O'Brien voting against; and D. Viste and K. Thomsen abstaining.

3:03 PM – D. Schumacher moves and B. Handschin seconds to approve Consulting Services Agreement MCRY-012 with Supplemental Work Orders Nos. 01, 02, and 03 as presented by Don Meyer. Motion passed with 7 votes in favor and A. Joyce, S. Brist, J. Sorrel, and K. Thomsen voting against.

3:13 PM – R. Anderson moves and J. Sorrel seconds to accept the proposed 2012 budget. Motion passed unanimously.

3:15 PM – S. Brist moves and C. O'Brien seconds to designate the First Class and Dinner Train Tip Money from October 2011 to the CNW #440 and SOO #2017 fund. Motion passed unanimously.

3:17 PM – M. Deets moves and S. Brist seconds to designate the proceeds of the sale of the CR #25 seats in the amount of \$2,500 to the CR #25 car fund. Motion passed unanimously.

3:19 PM – B. Handschin moves and D. Schumacher seconds to undesignate the Reardon (\$128,587.40) and Anonymous estate (\$209,394.94) funds to the general fund. Motion passed unanimously.

3:24 PM – S. Brist moves and R. Anderson seconds to move the Shay Locomotive to under the Narrow Gauge roof. Motion passed unanimously.

3:25 PM – J. Sorrell moves and B. Handschin seconds to re-designate \$45,283 in the airbrake fund to the general Mechanical department fund. Motion passed unanimously.

3:27 PM – J. Sorrel moves and D. Schumacher seconds to re-designate \$675 from the shay building to the shay move. Motion passed unanimously.

3:28 PM – B. Handchin moves and M. Deets seconds to raise train fares in 2013 (by \$4 for Adult, \$3 for Senior, \$2 for Students and \$1 for Children). Motion passed unanimously.

3:32 PM – B. Handschin moves and K. Thomsen seconds to table the Dillenburg proposal. Motion passed unanimously.

3:33 PM – M. Deets moves and B. Handschin seconds to approve the employment agreement MCRY-JL-003 for Jeffery Lentz. Motion passed unanimously.

3:45 PM – M. Deets moves and A. Joyce seconds to table the Mt. Harvard discussion until Supt. Kokemuller can present a proposal to the board. Motion passed unanimously.

3:49 PM – B. Handschin moves and R. Anderson seconds to charge an additional \$5 for Canadian members and \$15 for members from other countries to cover additional postage. Motion passed unanimously.

3:52 PM – B. Handschin moves and R. Anderson seconds to raise the yearly private outfit car appliance fee for each electric heater and each air conditioner to \$30 Motion passed with D. Schumacher, J. Sorrel, C. O'Brien, and J. Bloohm abstaining.

3:54 PM – R. Anderson moves and B. Handschin seconds to approve the president's committees as presented. Passed with J. Sorrel against, and M. Deets abstaining.

Management Committee: Jeffrey Bloohm (Ch), Robert Anderson, Daniel Viste

PEOC: James Busse (Ch), Kelly Bauman, Edward Ripp, James Johnson, Jeffrey Bloohm

Collections: William Buhrmaster (Ch), Stu Mathias, Ken Hojnacki, Marshall Deets, Richard Dipping

3:55 PM – J. Sorrel moves and D. Schumacher seconds to adjourn the meeting. Motion passed unanimously.

Kelly R. Bauman
Secretary
Mid-Continent Railway Historical Society, Inc.

Approved be the Board at the March 24, 2012 Regular Meeting of the Board.