

Mid-Continent Railway Historical Society, Inc.

Minutes of the December 2009 Annual Board of Directors Meeting

Date: December 19, 2009

Location: MCRHS Office Building

Roll Call:

Present:

B. Anderson (By Phone)
J. Bloohm
S. Brist (By Phone)
B. Handschin
K. Keefe (By Phone)
J. Nelson
C. O'Brien
J. Sorrel
D. Schumacher
D. Viste (12:10)

Absent:

M. Deets
E. Ellis
P. Weeden

Guests: D. Meyer, S. Epping, R. Ristow

12:00 PM: Meeting called to order by President Bloohm.

12:01 PM: D. Schumacher moves and C. O'Brien seconds to approve the agenda and allow the President the option to go out of order as needed to efficiently conduct the meeting. Motion passed unanimously.

Report of Wagner LLP:

Provided by Mr. Epping. The CPA's have given us a clean opinion of the audit which is the highest available. Largest changes are: the collection due to the Badger 2, and our long term debt increased due to the SBA loan. Mr. Epping wishes to thank Mr. Meyer for his help and having everything ready for the audit. Wegner hopes to have the final report ready by the end of the year.

The next regular meeting of the Board will be March 20, 2010 in MCRHS office. The Secretary will send out the notice at appropriate time.

The President recognizes Director O'Brien has been elected by the membership as a Director for a three year term ending in 2012 and is already seated.

B. Anderson left at 12:37 PM

B. Anderson returns 12:38 PM

President Bloohm announced that Director Weeden and Director Keefe are not candidates for re-appointment to the Board. However Director Deets has stated he will serve for another three year term if appointed.

12:39 PM: D. Schumacher moves and C. O'Brien seconds to reappoint Director M. Deets to an additional three year term ending in 2012. Motion passed unanimously.

The President received the following correspondence from Director Ellis:

Based on the increased workload at Iowa Pacific, I am tendering my resignation effective immediately. I have enjoyed working with you and the board, and with the additional financing brought in over the past year, I believe the museum is in a good position to continue forward. I have really enjoyed working with you and the members of the board, and wish you well.

Ed Ellis

12:40 PM: B. Handschin moves and J. Nelson to accept Director Ellis's resignation with regret. Motion passed unanimously.

12:42 PM: B. Handschin moves and C. O'Brien seconds that the Board go on record in appreciation of the work done by Treasurer Steve Brist, former Vice President and Director Douglas Crary, Director Kevin Keefe, Director Pat Weeden, and Director Ed Ellis. And that the Board will welcome them back at any time. Motion passed unanimously.

Director Reports: Some Directors gave a report of their activities to promote MC in the last 90 days.

1:00 PM: The minutes for the September 19, 2009 Regular Meeting of the Board stand approved as presented.

Election of Officers:

1:01 PM: B. Handschin moves and D. Viste seconds to nominate D. Schumacher as Vice President of MCRHS. After nominations were closed, D. Schumacher was elected with 9 votes in favor, and D. Schumacher not voting.

1:02 PM: C. O'Brien moves and D. Viste seconds to nominate K. Bauman as Secretary of MCRHS. After nominations were closed, K. Bauman was elected with 10 votes in favor.

1:07 PM: Treasurer S. Brist appoints B. Anderson Assistant Treasurer of MCRHS. D. Schumacher moves and B. Handschin seconds to accept the appointment. Motion passed with B. Anderson not voting.

1:08 PM: D. Viste moves and J. Nelson seconds to nominate B. Handschin as Treasurer of MCRHS. After nominations were closed, B. Handschin was elected with 8 votes in favor, 1 vote against and B. Handschin not voting.

B. Handschin announces that he will keep Anderson as his assistant.

President Bloohm turns the Chair of the meeting over to Vice President Schumacher

1:10 PM: D. Viste moves and C. O'Brien seconds to nominate J. Bloohm as President of MCRHS. After nominations were closed, J. Bloohm was elected with 9 votes in favor and J. Bloohm not voting.

Vice President Schumacher returns the Chair of the meeting to President Bloohm.

Legal Motions:

1:13 PM: B. Handschin moves and C. O'Brien seconds to keep the Registered Office of MCRHS at: E8948 Museum Road, North Freedom, WI 53951, and to keep the Registered Agent as Jeffrey B. Bloohm and to keep the Official Depository at Community First Bank, Baraboo. Motion passed unanimously.

Reports:

Manager and Financials

Flood Plain issues: On the picture that was passed around, the solid line indicates the flood fringe, and the broken line is the flood way. We still must have a survey completed to verify the boundaries. The elevation hasn't changed, but the boundaries have. This really hasn't altered where we were from before the flood. The Large Parking lot is in the flood way. The issue of no grandfathering was a mistake. As long as we don't try to expand any existing building we are OK. However the new issue is the camp car area, as camping in the fringe area is allowed only in 6 months out of year. So far there is no official ruling on this however. One question is track elevation and floor of cars. There is an issue that zoning will pursue. Anything we submit must be certified, and there are opportunities for us to appeal any decision, or to create alternate plans. This is not a threat but we will need to comply in some way. The flood plain has been expanded to include areas at Ulrich road.

B2: The car is here and has been located in the coach shed. Some items still to be installed, including stairs, lamps, and other odds and ends. A documentary film crew has been filming this. The gentleman funding the documentary was here and Don will follow up with him in restoring steam at Mid-Continent.

Financials: D. Meyer has mailed out financials with cover notes. We currently have around \$14,000 for the 988 fund, not counting the \$30,000 matching grant. There have been some small donations from annual appeal letter.

B. Handschin left at 1:24 PM and Returned at 1:30 PM.

1:31 PM: S. Brist moves and J. Sorrel seconds that the expenditure of the \$10,000 donation made towards the start of Mazomanie operations not be made without the approval of the board. Motion fails with 8 votes against, and 2 votes for.

Management Committee:

The events of the September Superintendents Meeting investigation: The situation was very unfortunate; it is the opinion of the committee that they have handled the situation as efficiently as possible. The Committee has reprimanded the Manager and has included a number of items that the Manager is to comply with. These items are being policed. The Committee is investigating the creation of a position of a Business or an Operations Manager. In terms of former Vice President and Director Douglas Crary, Mr. Crary will not return while the current Manager continues in his position.

It is the recommendation of the committee that the board vote down the motion made by J. Sorrel and M. Deets at the September meeting. They also recommend that the board approve the 2010 management contract, and the 2010 budget.

The committee has attempted to deal with issues that arise between board meetings, rather than have them wait until the next quarterly meeting.

1385 Questions:

M. Wahl has not made any purchases as he has not been able to talk with Bill Parker as he feels B. Parker is now in charge of the project. Currently the grant money is still there. The board will need to resolve the issue of who's in charge of the 1385 project.

Balloting Report:

Three issues were brought to the membership, the election of a Board Member for a term expiring in 2012, and two by-law changes. There were 136 ballots Returned. The results are as follows:

1. Election of Director for term expiring in 2012:
 - a. Colin O'Brien: 121 (Elected)
 - b. Robert Ristow: 2
 - c. Don Pingel: 1
 - d. Jim Eng: 1
 - e. Paul Swanson: 1
 - f. Steve Pahl: 1
2. By-law change to remove term limits for appointed directors:
 - a. In Favor of the Change: 89 (Passed)
 - b. Against the Change: 45
3. By-law change to allow email votes by the Board of Directors:
 - a. In Favor of the Change: 106 (Passed)
 - b. Against the Change: 28

Committee appointments:

Management Committee of J. Bloohm (Chair), B. Anderson, and D. Viste

1:52 PM: B. Hanschin moves and C. O'Brien seconds to approve the appointment. Motion passed with 5 votes for, 2 votes against and J. Bloohm, B. Anderson, and D. Viste not voting.

Camp Car Committee of J. Busse (Chair), K. Bauman, E. Ripp, J. Johnson, J. Bloohm

1:53 PM: J. Nelson moves and D. Schumacher seconds to approve the appointment. Motion passed with 8 votes for, 1 vote against and J. Bloohm not voting.

Collections Committee of B. Burhmaster (Chair), D. Meyer, L. Rosenow, M. Deets, R. Dipping

1:53 PM: B. Handschin moves and D. Schumacher seconds to approve the appointment. Motion passed unanimously.

Vice Presidents Department/Project head appointments:

1. Collections Manager: Leah Rosenow
2. Restorations Manager: Bill Buhrmaster
3. Museum Store Manager: Jeffery Heartlien
4. Chief Mechanical Officer: (Vacant)
 - a. General Foreman Diesels: Jeffrey Bloohm
 - b. Road Foreman of Engines: Bill Raia
 - c. Power Care Foreman: Ed Ripp
 - d. General Foreman Steam: (Bill Parker/Dennis Dougherty) Advisory ONLY
 - e. Shop Foreman (Vacant)
 - f. General Foreman Rolling Stock: (Vacant)
 - i. Director of Revenue Coach Interiors: Art Eggert
5. Superintendent of Engineering: (Vacant)
 - a. Roadmaster: Dave Bierman
 - b. Building and Grounds Foreman: (Vacant)
6. Superintendent of Operations: Kelly Bauman
7. Director of Visitor Services: Nancy Miller
8. Superintendent of Marketing: (Vacant)
 - a. Gazette: Pat Weeden
 - b. Steamer: Pat Weeden
 - c. Webmaster: Pat Weeden
9. Educator: Stan Searing
10. Superintendent of Dining Services: Ron Kokemiller
11. Superintendent of Member Services: (Vacant)
12. Superintendent of Development: (Vacant)

B. Anderson Leaves at 1:58 PM

S. Brist left at 1:58 PM and Returned at 1:59 PM

2:04 PM: J. Nelson moves and C. O'Brien seconds to approve the appointments as named. Motion passed with J. Bloohm not voting.

Unfinished Business:

2:10 PM: D. Schumacher moves and J. Sorrel seconds to take from the table the motion of the September 19, 2009 regular Board meeting that would end the management contract with D. Meyer. Motion passed unanimously.

The President asked the Secretary to read the motion:

09/19/2009 at 12:34 PM: J. Sorrel moves and M. Deets seconds to end the management contract with D. Meyer.

2:12 PM: Motion fails with 7 votes against, 1 vote for and S. Brist not voting.

New Business:

2:29 PM: B. Handschin moves and C. O'Brien seconds to approve the 2009/2010 budget. Motion passed unanimously.

2:31 PM: President Bloohm calls for a short recess.

2:37 PM: President Bloohm calls the meeting back to order.

2:43 PM: B. Handschin moves and D. Viste seconds to accept the consulting services agreement No. MCRY-010A. Motion passed with 7 votes for and 2 votes against.

2:47 PM: B. Handschin moves and D. Viste seconds that the MCRR foundation funds of \$3,712 be applied to the 988 fund. Motion passed unanimously.

3:00 PM: J. Sorrel moves and B. Handschin seconds to give the authority to the management committee to proceed with the forgivable loan of \$360,000. Motion passed unanimously.

3:06 PM: J. Sorrell moves and B. Handschin seconds to have the General Manager pursue the terms and conditions of a commercial loan to cover the initial costs of the forgivable loan. Motion passed unanimously.

3:12 PM: By the consensus of the Board of Directors the Secretary will change Section 2.15 of the by-laws to say "of the State of Wisconsin" instead of the current "if the State of Wisconsin"

At the request of the Board, the General Manager shall pursue plans and costs for repairing the Baraboo River Bridge and shall additionally pursue a second set of plans and costs for repairing the Seeley Creek Bridge.

At the request of the Board, J. Bloohm, R. Ristow and the General Manager will pursue information on the CNW 1385 from R. Peters, and M. Wahl on exactly where the issues with the boiler stand.

3:48 PM: J. Sorrel moves and B. Hanschin seconds to adjourn the meeting. Motion passed unanimously.

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

Approved by the Board at the March 20, 2010 Regular Board Meeting