

FEATHER RIVER RAIL SOCIETY – AGENDA REPORTS

DATE: November 8, 2012

FROM: Eugene Vicknair, Director

ITEM: New Business 3

SUBJECT: **Off-Site Board Meetings**

For about the past 10 years, the FRRS has been holding their February and November Board Meetings at sites away from Portola, typically in the Sacramento – Stockton areas.

Due to rising costs for conference room rental and declining attendance at these meetings, it has been suggested that we end holding them and return all Board Meetings to Portola.

This would not preclude special locations if the Board decides it is appropriate (for example, we have held meetings in Truckee and Dunsmuir during their Railroad Days when those dates coincided with a Board Meeting).

SUGGESTED ACTION: End holding the February and November Board Meetings off-site from Portola.

ITEM: New Business 4

SUBJECT: **Napa Valley Baldwin 51 Loan**

Napa Valley Baldwin DS-6-6-750 number 51 has been recommended for deaccession. This locomotive was originally built as Morrissey Fernie & Michel Railway 1. The MF&M was a Canadian Pacific affiliate in British Columbia and this was the first Baldwin diesel built in Canada, as well as one of the first diesels used in Western Canada.

The West Coast Railway Association in Squamish, BC has wanted this locomotive for many years and several trade options have been discussed. As yet, none have come through.

To raise the profile of the engine with WCRA and gain some track space, it is proposed that we place the NVR 51 / MF&M 1 on a long term loan to the WCRA. A term of 4 years is proposed. We would loan them the use of our locomotive hauling flat car and they would cover movement to and from Squamish and Portola, as well as cost to perform tie-down and return out tie-down equipment.

Within 4 years, we would work with WCRA toward either a trade or sale. Two possible trade items in Canada of relevance to the FRRS collection are CZ / DRGW baggage car "Silver Antelope" and WP SW9 switcher 602. Either would seem to be an equitable trade item.

As an alternative, WCRA could purchase the locomotive outright. Pricing an old Baldwin is problematic, but based on other sales in recent years and considering its condition, a price of \$30,000 is suggested as a starting point.

If at the end of 4 years a trade or sale has not been initiated, the options would include renegotiating the loan, renegotiating the transfer terms and / or WCRA returning the locomotive to the FRRS at the expense of the WCRA.

SUGGESTED ACTION: Offer NVR 51 / MF&M 1 to the WCRA on a long-term loan and draft terms by which the FRRS will accept trade items or monetary compensation for ownership of the locomotive.