

To "B" OR NOT TO "B" THAT IS THE QUESTION

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There has been a great swirl of debate going on about the sale of the ALCO FPA-4B unit number 6860. Many members feel it is important that a balanced assessment be afforded the general membership about the value in selling the unit.

The issue of selling the "B" unit is not about the "B" unit alone but about a much larger issue. Namely, the future of this organization. In plain language, its about responsibilities ignored for years to members and guests. It is about a lack of balanced vision for tomorrow. As an organization we are at the crossroads of our existence. Every piece of equipment on the property may at first light be a thing of pride but it is also, equally a very heavy yoke. Similarly, our facility is 35 acres with trackage and an aging main building, adding yet another heavy burden to deal with.

It is about this organization's seemingly historic unquenchable thirst to collect and collect and collect with no other thought. The theme of the museum changed from Western Pacific to western railroads, to anything with flange wheels under it, to anything with wheels at all in order to continue some kind of justification for continued acquisition. Some of the locomotives run, some run a little, most just sit, rusting away. Not exactly preservation. If our appetite for preservation, maintenance and restoration had been as large as our appetite to acquire, we would not have a problem.

It is about a dwindling treasury caused by wastrel ways to acquire without regards to the financial security of the organization's future. It is about ignoring the safety of our visitors and members that come to Portola. It is about the charge given to us by the Union Pacific to spread the good news about the railroad industry and the UP Corporation.

Its about a few Board members that showed courage and conviction to defy conventional thinking and cast a vote of responsibility for the members that have put their trust in them to make sure there will be a future.

And its about a change in the way things are done at the Board of Directors level, where for too long, denial of problems was the accepted policy. Now comes an opportunity to help right the wrongs and place the organization on a path of reconstruction. But there are factors that affect the decision to sell the "B" unit.

1. The Via unit was acquired from Canada as a "throw-in" with the purchase of the FPA-4A unit. The justification: The WP 921-D was wearing out as being used in the "Operate a Locomotive" program and the FPA-4A could replace it. It sounds logical except very few people wanted to use it. Further, the greatest usage has been the operation of the GP-9 in the OL program because, for novice operators, they can see where they are going. The WP 921D is still being used in the program because its preferred over the FPA-4A. The "B" unit just sits.

2. Our collection is very large and laden with equipment we can't repair, restore or even cope with.

3. In the last 2 years, this organization has spent on acquisitions of locomotives approximately, the following:

- \$60,000 on two WP GP-9's plus transportation of \$10,000.
- \$25,000 on a SN 44 ton GE center cab plus transportation
- \$20,000 on a steam engine, number SP 1215 including transportation
- \$10,000 on another steam locomotive number UP 737 including transportation

We did receive \$10,000 back in donations for reimbursement for the two WP GP-9's.

4. In the last few years, we have spent very little on buildings and grounds. Until recently, the shop was a disaster. Until two months

ago we didn't have shop and property printed safety standards. Until recently we didn't have any proper shower and restroom facilities for the members. We still don't for the general public. Until last year we didn't have a printed safety standard for track.

5. The grounds are unsightly and an embarrassment to many of the membership. Visitors are polite but it is difficult to present a professional atmosphere until a lot of clean up and other work is done.

6. The Union Pacific owns the property. Until recently, UP has been unwilling to sell portions of the property because of potential future environmental remediation. Now the UP will sell a portion of the property but only after a complete and satisfactory environmental impact statement study is made. They lease us the property to be used and operated as a museum, with the idea that the gates must be open to the public and provided that we say nice things about the railroad. They probably didn't envision the place becoming a junk yard. Currently, we have a 12 month lease with UP, cancelable for any reason.

The offer from the Grand Canyon Railway is a good one; fair for them and to the FRRS. Grand Canyon is a first class tourist operation that has the money to fix and operate the "B" unit. More people than ever would come to Portola and be able to see and ride behind the "B" unit in passenger train service. It would be painted and cared for. Portola doesn't have the money to spend on it and the unit is very low on the repair priority list. Additionally, Grand Canyon will give us a first right of refusal to repurchase the unit if they decide to sell it. All the way around, everyone wins. The argument that the ALCO "B" unit is the only one left in the United States is probably valid. If sold to Grand Canyon it would retain that distinction. Also it would be operated with other FPA-4A units already in service on the Grand Canyon.

Our idea is to sell the Unit for \$35,000 and direct the proceeds to be spent as follows:

- \$10,000 to repair the core fleet of locomotives used in the rent-a-locomotive program.
- \$10,000 to prepare and paint the WP 921D or one of the two WP-GP-9's
- \$5,000 to promotional and advertising budget to reinvigorate the rent-a-locomotive program
- \$10,000 to pole barn fund to be constructed in the future.

The sale of the ALCO "B" unit would not lessen the collection, but create an opportunity to enhance it by reenergizing the Operate-a-Locomotive program which is our number one fund raiser and needs an infusion of freshness. The money invested to clean up and paint one of the GP-9's would be an asset to the Operate-a-Locomotive program and the collection as a whole. Remember how good everyone felt about the 2001 when it was finished? The money for the repair of the core locomotives is void of glitz and paint but it is a responsible investment in enhancing annual sales of the OL program. The money set aside for the Pole Barn is also less glamorous, but when the time is right and added to other money, will protect those pieces from weather deterioration after restoration.

Culling a collection is a natural process that many Museums go through. PRM is no different. Some things stay, others go where they can be best dealt with. The Grand Canyon Railroad will be a good owner and will be able to do things to and for the "B" unit that we can only dream about.