



CUMBRES & TOLTEC SCENIC RAILROAD COMMISSION
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Randy Randall, Chairman Peter Foster, Vice-Chairman
Lenny Martinez, Secretary Lon Carpenter, Treasurer
Leo Schmitz, Executive Director

CUMBRES & TOLTEC SCENIC RAILROAD COMMISSION MEETING MINUTES FOR NOVEMBER 11, 2008

A Special Meeting, of the C&TSRR Commission, was held on Tuesday November 11, 2008 at the Cumbres & Toltec Scenic Railroad Commission Office, 5250 State Highway 285, Antonito, Colorado 81120

The meeting was called to order at 4:39 p.m. by Chairman Randy Randall.

Those present in the Commission's Office were:

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| Leo Schmitz, Executive Director | Stephanie Gray, Administrative Assistant |
| Frank Turner | Marvin Casias |
| Maria T. Schmitz | |

Those present via telephone conference call were:

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|---------------------------|----------------------------|
| Randy Randall, Chairman | Pete Foster, Vice-Chairman |
| Lenny Martinez, Secretary | Lon Carpenter, Treasurer |
| Gayle Berry | Soni Honegger |
| Jim Posten | |

Commissioner Martinez moved to accept the Agenda as presented. Motion carried unanimously with a second from Commissioner Pete Foster.

Then Commissioner Martinez moved to defer items 4, 5, and 6, (Approval of Minutes' Report of Chairman; and Unfinished Business,) from the agenda until the next regular scheduled meeting which will be held in December. The motion was second by Commissioner Carpenter and carried.

Next item to be addressed was number seven (7) New Business. The item to be addressed was the Approval of Construction Contract for Antonito Car Shop Expansion.

Leo Schmitz, Commission's Executive Director, informed the Commission bids for this project were opened on the 28th of October, 2008. He recommended for approval, to the Commission, the bid submitted by Van Iwaarden, from Alamosa, Colorado for the total amount of bid of \$387,550: \$333,975 was the bid for the expansion of the Car shop and \$53,575 was for the completion of the bathrooms. Leo went on to explain how this project would provide the much needed space for the Passenger Car Shop which would expand the shop twenty-four feet to the east. It would also upgrade the restrooms and the electrical of the car shop. He felt this project was needed to improve the work area for the restoration and building of passenger cars.

Commissioner Martinez asked how many other bids there were for this project. Leo said there was only one other bid, Alcon Construction, also from Alamosa. There base bid for the expansion of the car shop was \$390,151 and for the completion of the bathrooms was \$46,196.00 for a total of \$436,347.00.

Chairman Randall wanted to know if there was a contingency fund. He felt there should be at least a 15% contingency fund for this project. Leo said there were only enough monies to pay for the project; however, some monies could be saved since not all the projected dollars would be used for the architectural/engineer study.

Chairman Randall asked Soni, General Manager of C&TS RR, how important this structure was to the operation of the Railroad. Soni asked Marvin Casias to answer. Marvin said the car shop needed the extra space and the restrooms. He also felt the addition would be an asset to the Railroad and the employees who would be working on passenger cars.

Both Commissioners Martinez and Foster felt there should most definitely be a contingency fund established for the contract. Commissioner Carpenter suggested Leo talk with Van Iwaarden to work together to set up a contingency fund.

Chairman Randall then asked Frank Turner, President of the C&TSMC, where could they find the monies to have for the contingency fund? Frank answered there were no monies available or could be taken from the Track Project or any other projects needed for the Railroad to prepare for the upcoming Season.

Chairman Randall then asked where monies can be saved to make up the contingency fund. Leo said there could be a savings of \$5,000 for the project and another \$5,000 from the engineer's contract. Commissioner Martinez said these two funds would only make up a 3% contingency fund. Chairman Randall said if there could not be a 15% contingency fund, there should at least be a fund of \$20,000.

Chairman Randall said we need another \$10,000. Commissioner Foster suggested looking for cost savings to find the other \$10,000 since he would support Marvin's statement on the need of this facility. Commissioner Carpenter said the \$20,000 would make the needed 5% contingency fund.

Chairman Randall directed Leo to talk to CDOT and Van Iwaarden to work together to save the needed monies to find the other \$10,000; therefore, permitting the Commission to have a \$20,000 contingency fund for this project. Once they work out the details report back to the Commission.

Commissioner Martinez moved to approve the contract bid, with Van Iwaarden, as long as it is understood they, CDOT and Leo Schmitz work together to establish a \$20,000 contingency fund which would be 5% of the project. Motion carried unanimously with a second from Commissioner Foster.

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There being no further items on the Agenda, Chairman Randall adjourned the meeting at 5:10 p.m. and informed everyone the next Commission meeting would be in Chama on December 10th.

/s/ 12-11-08

Randy Randall, Chairman

/s/ 12-11-08

Pete Foster, Vice-Chairman

/s/ 12-11-08

Leonard Martinez, Secretary

/s/ 12-11-08

Lon Carpenter, Treasurer