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Minutes

Engine 557 Restoration Company Board Meeting

August 21, 2020

Call to Order. The meeting was called to order by President Patrick Durand at 11:00. Due to the hazards COVID 19 and health guidelines, the meeting was held virtually via Zoom.

Determination of Quorum. A quorum of Board members were present, consisting of Pat Durand, Scott Hicks, Dale Wade, Dick Morris, Jane Walker, John Combs, Doug Engebretson. Also present were Paul Bates, Sean Mesloh, Terry Douglas, and Tom Walker.

Approval of Agenda. The agenda was approved with the movement of item VIa, Replacement of Directors, to follow the approval of agenda to allow new directors to participate as voting members of the Board. Dick Morris Moved, Dale Wade seconded. MCU

Replacement of Directors. Doug Engebretson's term expired at this meeting and Jim Posey has resigned his position on the Board.

Patrick Durand moved and Doug Engebretson seconded the selection of Paul Bates as a board member. He was elected to a three-year term. MCU.

Patrick Durand moved and John Combs seconded the selection of Sean Mesloh as a board member. He was elected to a three-year term. MCU.

August 30, 2019 Annual Meeting Minutes. Scott moved and John Combs seconded the approval of the minutes of the previous meeting. MCU.

Project Status. Patrick Durand made reference to his "Board summary for 2020" (attached) and gave an overview of events during the past year. He highlighted an August 21, three-hour, unannounced visit by inspectors from the Federal Railroad Administration. The status of the boiler restoration was the subject of their formal report and it was highly complementary. They also provided verbal compliments on other parts of the restoration.

Financial Statements. Dick Morris shared a tentative Balance sheet, Profit and Loss Statement, and Available Funds Report (copies attached). Dick explained that the Undeposited Funds as shown in the P&L was approximately \$100 less than the actual amount.

Fundraising. Dick Morris and Pat Durand briefed on fundraising activities. The \$60,000 Challenge which started in late 2019 was fully met with a generous contribution from the Kahiltna Charitable

Business Planning. Paul Bates discussed the process of developing strategic and business plans and briefed the contents of the "Analysis of Proposed Operating Scenarios," (copy attached) prepared by the Operations Working Group consisting of Paul, Paul Dalleska, and Tom Walker. He cautioned that the process to develop a business plan would take approximately six months.

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Dick Morris moved and Paul Bates seconded that the analysis be accepted by the Board and that the recommendations in section G be pursued.

The Operations Working Group proposed a Bylaws amendment (copy attached) to establish three additional officer positions, a Chief Operating Officer, a Chief Mechanical Officer, and a Chief Development and Public Relations Officer. These positions were recommended to facilitate the evolution of the organization from performance of a locomotive restoration to operating the locomotive. Paul Bates moved and John Combs seconded the motion. MCU.

Filling New Officer Positions. The need for the person taking the lead in coordinating operational planning was determined to be the most urgently needed so that person would have an official standing in interaction with other organizations and specifically with the Alaska Railroad Corporation. Pat nominated Paul Bates for COO position which would be the supervision of the President. Dale Wade seconded. MCU.

Murdock Capacity Building Grant. Pat briefed that Murdock is satisfied with the current status of our efforts to develop a business plan.

Bylaws Amendment, term limits for Directors. Dick presented a Bylaws amendment (copy attached) to delete the three-term limit for directors to prevent a situation in August, 2021, when three Board Members would be required to leave the Board. A discussion covered the advantages and disadvantages of term limits, their length, and whether the issue needed to be dealt during this meeting or could be deferred. Dick Morris moved, Paul Bates seconded. MCU.

Directors Comments and Announcements. Several Directors made comments.

The consensus was that the Zoom format was successful.

Dick Morris recognized Doug Engebretson and Jim Posey and for their service as Board Members and to Sean Mesloh and Paul Bates for stepping up to assume their positions on the board.

Patrick Durand encouraged the Board Members to visit the Engine House

The meeting was adjourned at 12:53