

## Friends of Train Mountain 2010 Annual Report

## **Friends 2010 Construction Progress**

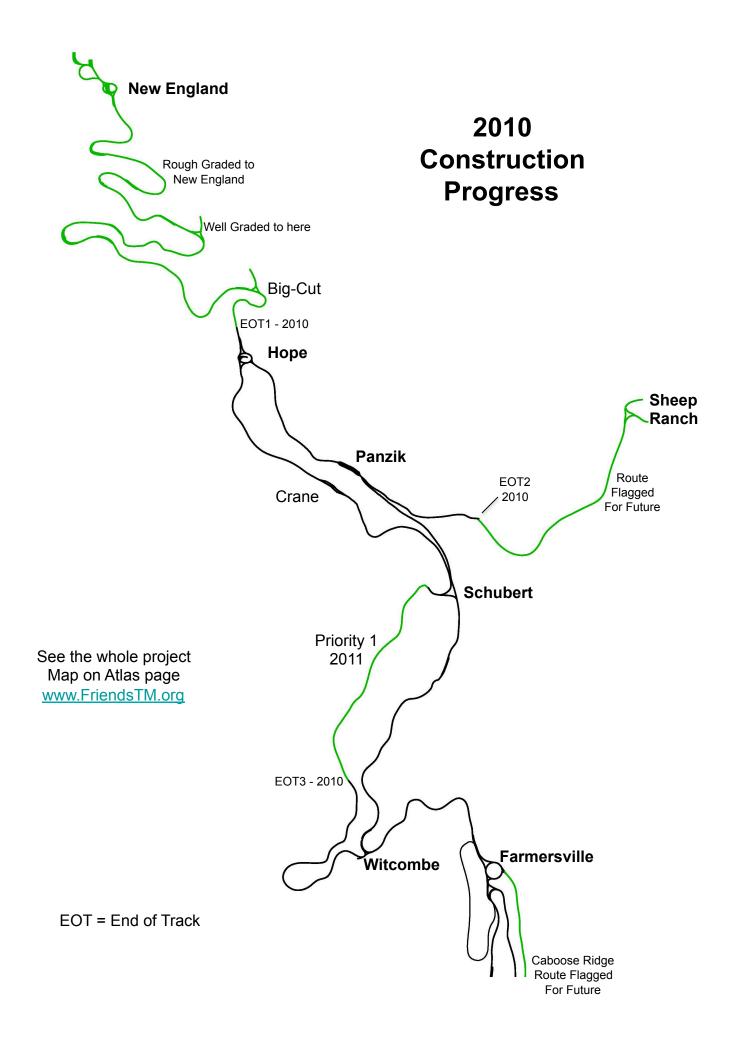
On October 26<sup>th</sup>, 2007, Friends of Train Mountain leased about 1220 acres of Train Mountain and began building long runs of track through the woods. A lot has happened in 3 years. In 2008 Friends replaced 4,660 feet of track south of South Chiloquin Road and laid 5840 feet of new track creating Farmersville Circle and Witcombe. In 2009 Friends laid 11,510 feet (2.2 miles) of new track including 1,290' for the 2% solution and 10,220' from Witcombe to Hope Circle via Crane Water Siding including Cooper Junction to the road crossing near Panzik, In 2010 Friends laid 9,260' feet (1.75 miles) of new track including completing Hope Circle, Hope to Schubert via Panzik water siding, Panzik toward Crossroads, and the southern half of the new Witcombe to Schubert route. We now have 25,320 feet (4.8 miles) of new track north of M&M Corner.

Train Mountain now has 17.5 miles of mainline track (up 30% in 3 years from 13.25 miles in 2007) and 30.5 total miles of track (up 20% in 3 years from 25.25 miles in 2007). And 8.5% of the old mainline track has been replaced with new steel rail on plastic ties. Quentin's dream continues.

Many people helped make this happen. During the September Work Week, we had over 50 people help lay track... more than 25 people worked most days. We should all be proud.

Friend's lease commits Friends to laying 5 miles of new track on its leased area by December 31st of 2013. To meet this commitment Friends must lay 3620' (0.7 miles) more of new track. Next we plan to lay 3200' of new track to complete the new one-way route from Witcombe north to Schubert. Friends has 2 miles of track panels in inventory and plans to assemble about .75 miles more track panels this winter.

Much progress has been made on the grade. The big cut (13' deep) north of Hope is nearly done. Just two or three weeks of dirt work and it should be ready for track. The north half of the Witcombe to Shubert grade is nearly complete. Just a couple of weeks work to get it ready for track. The grade from end of track to Crossroads is just a few days from done. And substantial progress has been made on the grade all the way to New England. The big cut north of Hope is by far the biggest, hardest dirt work project we have to do up north and almost all of it got done this year. Dustin, Richard, and Eddie have a lot to be proud of. They made a huge amount happen.





Laying Track at Panzik during the September Work Week

## Klamath County Approves Amended Train Mountain Master Conditional Use Permit

On August 24<sup>th</sup>, the Klamath County Planning Commission unanimously approved an amendment to the Train Mountain Master Conditional Use Permit. The amendment frees up Train Mountain and 14 adjoining properties to develop as private railroad parks and to lay track pretty much wherever they want to lay track. This is a big win. The amended CUP is very forward looking and gives new land use approval for 4 new gate houses, 4 more wells, 8 engine sheds, 2 workshops, 7 depots, 10 picnic shelters, 8 toilets, 2 new unloading areas, 2 more cabooses, and 10 septic fields. The Klamath County authorities have decided that they like what we are doing.

## Friends Slows to Wait for the IRS

Friends has decided not to make any more serious investments at Train Mountain until Quentin's IRS issues are resolved. Here is what that means :

- Friends will keep Dustin & Richard working.
- Friends will build track panels from ties it has, but will not buy more ties or track.
- Friends will move dirt during the May-June 2011 dirt moving window.
- Friends will lay about 4000' of track in 2011 to validate its lease till Dec 31st 2018.
- Friends will pay its share of the taxes and meet its commitments.
- Friends will keep working on the signal system.
- Friends will continue to share use of the equipment with Train Mountain

Our hope is that Train Mountain will find a way through Quentin's IRS issues, that the dream will continue, and we will resume operations.