

# THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF WELLS RURAL ELECTRIC COMPANY

**November 19, 1982**

The regular meeting of the Board of Directors of Wells Rural Electric Company was called to order on Friday, November 19, 1982 at 1:00 p.m. President Vernon Dalton presided over the meeting.

Directors present were Mary Wright, Vernon Scott, Larry Bradshaw, Ferris Brough, Jesse Larsen, Wanda Borden, Vernon Dalton, Ray Crawford, Daryl Eriksen and Joe Riordan. John Krenka was unable to attend.

Present from the staff were Lee Standley and Patti Blckett.

Corrections to the minutes: The minutes of the October 15, 1982 board meeting will stand approved as written.

There were no additions to the agenda.

Report on rate increase and hearings: There was a group of 8 to 10 irrigators, the majority of them being from Ruby Valley, and their attorney, who met with the staff, Bob Vaughan and Vernon Dalton. They were concerned with the amount of increase on the irrigation rate. All of their questions were answered to their satisfaction.

Utah PSC: We met with them on Tuesday. Once we convince the Commission auditors the rate increase was figured in the correct way, they will take it to the staff and there should be no problem getting it approved. We are maintaining our 7% rate of return. They seem well satisfied up to this point. As soon as Clay finalizes everything, we will take it back to them for approval so we can implement the increase.

WNP 4 & 5: We sent out Ed Fadeley's reports. Joe asked about the bonding on WPPSS.

Carlin Gold: BPA has given us until next Friday to tell them whether or not we will build a transmission line to Carlin without Carlin Gold. The point of delivery would be delayed. Power Engineers has selected a tentative site for the transmission line and the substation. Power appeared before the Elko County Commissioners and explained it to them. One commissioner objected to the routing of the line.

Land for new office - Wells: Ray called Nello Cippolini about the property next door. He said he was going to come here and tell us what he planned to do. He has not arrived yet.

New office - Carlin: The preliminary plans are on the way to REA for approval.

Safety Report: The Safety Meeting for October was held at the Wells Service Center on October 8, 1982 by Hal Christiansen from G.E. Supply Company. This was an excellent safety meeting on protective equipment, overhead and underground. He also gave an excellent class on capacitor safety. There were no near misses or lost time accidents as of 10/18/82. As of 10/18/82, we have logged 1,368 accident free days with no lost time. The next Safety Meeting will be held on November 15th by Ruralite.

Construction Report: We recently completed a new service to a stockwater pump for Bill Dedman; a service to a sign near I-80, built by Screen Craft, Inc. was energized last week; new underground services for Dr. Joe Smith and Dennis Calton have recently been completed; two new services for the Home Ranch were energized last week; we hooked up a trailer for Gilbert Sheldon in North Ruby Valley; the trailer park at Oasis has been energized; Bob Lutes recently completed a 30 reroute job behind the Western Cafe in Wendover; Bob Lutes also has completed a re-conductoring job on old line 2 and three capacitor banks have been installed in Wendover.

Engineering Report: In Carlin, we are preparing to build a primary line extension to serve a new Milepost Inn Cafe. We are waiting for an easement and contract before construction can begin. The cafe is for the convenience of the railroaders, but will be open to the public also. We are waiting for the BLM to finish their work so construction can start on a line extension to serve a stockwater pump near the Winecup Ranch; we are planning a three phase tap for the "Flying S" Land & Cattle Co. near the complex at Oasis. They are in the process of setting up a new shop which will require 30 power. It would also allow them to get rid of their add--phase unit at the existing well. The Forest Service in Ruby Valley is interested in having their service be completely underground; Wendell Neff has inquired about a single phase line extension to a shop; we are in the process of installing two padmounted transformers, conduit and wire for the new State Line Casino addition in Wendover; the City of Wendover has purchased some land from the Air Force and is interested in having W.R.E.C. build a new 30 line into the area. We have sent them an estimate and are waiting to hear from them. The Western Cafe in Wendover is planning to build a trailer park and we have provided them with an estimate.

Outage Report: In the month of October, we had a total of 16 outages. Fourteen of these outages were unscheduled and the other two were scheduled due to work conducted in the Wells substation and the new Wendover substation. Outage locations are as follows: Wells - 7 outages; Wendover - 5 outages and Carlin - 4 outages. These outages affected 1,748 consumers with a total of 1,766 hours of consumer outage time.

Hydro Report: On October 13th, Gene and Hank Finch, a Forest Service representative, made an inspection of the water ways. The main thing was to keep down the soil erosion. There were six items to be taken care of. #1 - road needs barring. This is to make little ditches cross ways of the road to drain the water so it will not wash out the road. #2 - The outlet at the reservoir needs to be rocked to prevent the reservoir from washing out more. The outlet was put in and cemented, however, the water got underneath and washed out. #3 - the outlet from the reservoir in one place needs to be rocked. This has been the same for a long time but they are in the drivers seat. #4 - the pipe that is from the collection box to the reservoir has another hole in it. Sometime in the near future it will have to be replaced. #5 - rock to be placed near the collection box - no big problem. #6 - clear up old trash and equipment. Every time Gene goes to the hydro, he carries out some parts and old junk that has been there for a number of years and he has this problem cleaned up. Item #2 has to be done immediately while the other can be taken care of by August 1983. Right now the hydro is producing approximately 90 kw per hour at the present. As soon as the water drops, the amount of kilowatts drops with it. The water is up higher for this time of year than Gene has seen it for many years.

Member Services Report: The Company Christmas Party will be December 11th at the 4-Way. Dan came into the meeting to discuss budget billing. He presented the program to the Senior Citizens. In 1976, the board passed the budget billing policy; in May 1977, it was deleted and then in November 1977, it was put back in for village and rural residential. We do not have a policy on this. JESSE LARSEN MOVED THIS POLICY BE ADOPTED. WANDA BORDEN SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY. Dan, Lee, Val Thiel and Vernon D. attended the Utah Rural Electric Association Annual Meeting. Val made a report and it was the best report presented. The Company ACRE drive was recently completed with 26 employee/directors renewing or starting membership. Again, we have 100% board and salaried employees. This years totals are; 17 Century Club members and 9 regular memberships. Vernon thanked the board for their 100% ACRE membership. We will be making presentations at all area schools the next two months on conservation, efficient energy usage and safety.

Power Supply: Lee attended a hearing on Thursday, November 4, 1982 at Portland on the Northwest Power Planning Council's plan under the Northwest Power Bill for conservation.

New Memberships: DARYL ERIKSEN MOVED WE APPROVE THE 12 MEMBERSHIPS FROM WELLS, 19 FROM WENDOVER AND 8 FROM CARLIN. FERRIS BROUGH SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

Manager's Report: We need to appoint an alternate delegate for UREA. It will be Daryl Eriksen.

Power Engineers has made a revision in the 81, 82, 83 work plan. Since the agenda went out, we have an amendment to this change. The change is building 30 line, line 7, 10 miles farther from 1000 Springs where the line separates. The big change is a new Wells Substation. We need it on line by July 1983. VERNON SCOTT MOVED WE MAKE THE RECOMMENDED WORK PLAN CHANGE AS OUTLINED BY POWER ENGINEERS. JOE RIORDAN SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

Lee is looking into the efficiency study that was discussed at the last meeting.

Power Engineers will have our long range work plan ready for review by the staff by meeting date. Any changes or comments will be sent back to them then we will bring it to the board for approval.

Chromalloy wants 3cts service. They sent us a letter requesting it. Total load would be 865 HP in their plant, small office machines and lighting which would bring the total load up to 1 MW. We would get up-front money. A rough estimate on revenue would be around \$100,000.

Sierra Pacific has sent us a preliminary contract for our wheeling for Carlin and Lee/Jiggs. The cost has gone up to \$1.31 per kw. It was \$1.19.

Bill Bozarth, our lineman in Carlin, passed away. We would like to make a change in our organizational chart structure. We would like to classify the replacement man as a Working Line Foreman so we will have someone in charge and we would also like to make the same change in Wendover, eventually. DARYL ERIKSEN MOVED WE MAKE THE CHANGE. VERNON SCOTT SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

We have an option on 2 acres in Wendover. We have to pay \$10,000 on the option before the end of November to keep our option in effect. DARYL ERIKSEN MOVED WE PICK UP THIS YEARS OPTION. RAY CRAWFORD SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY. Ray Crawford asked about the land we could lease from the State of Utah that we discussed getting last year. Was anything ever done on it? RAY CRAWFORD MOVED WE TRY TO GET THE LAND. FERRIS BROUGH SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

We need a representative for the Public Power Council. RAY CRAWFORD MOVED LEE STANDLEY BE THE REPRESENTATIVE. DARYL ERIKSEN SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY. MARY WRIGHT MOVED WANDA BORDEN BE

THE ALTERNATE. RAY CRAWFORD SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

BPA has asked us to sign a form to change the dates on part of the Power Sales Contract regarding allocation of power in case of insufficiency. BPA has so much time to establish a policy. They want to extend the date to establish that policy. They want to change that date from July 1, 1983 to March 1, 1984. JOE RIORDAN MOVED WE SIGN THE FORM. RAY CRAWFORD SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

Change in the date of the December meeting: Vernon will not be here for the regularly scheduled board meeting and would like to change it. VERNON SCOTT MOVED WE CHANGE THE REGULAR BOARD MEETING TO A SPECIAL BOARD MEETING ON DECEMBER 10TH. WANDA BORDEN SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

The meeting adjourned at 3:55 p.m.

D. VERNON DALTON, PRESIDENT

WANDA BORDEN, SECRETARY