

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

**March 18, 1983**

The regular meeting of the Board of Directors of Wells Rural Electric Company was called to order on Friday, May 18, 1983 at 1:03 p.m. President Vernon Dalton presided over the meeting.

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

Present from the staff were Lee Standley, Patti Blackett, Clay Fitch and Warren Linnell. Attorney Bob Vaughan was also present.

Corrections to the minutes: The minutes of the February 18, 1983 board meeting will stand approved as written.

Ernst & Whinney - Auditors: Jay Smith from Ernst & Whinney was at the board meeting to give the audit report. Only the preliminary reports were available for the directors to review due to the number of things that occurred last year like WPPSS. There were a few changes that the board was informed of and after these changes are made, the final audit report will be mailed out.

WPPSS 4 & 5: Our WPPSS termination payment of \$7,582.13 for February was made into the escrow account at Rainier National Bank. The March payment for the same amount will be due by March 18th.

Carlin Gold. The next business to come before the meeting concerned the contract relating to service to the Gold Quarry Project of Carlin Gold mining Company. After a thorough discussion of the matter, on motion made by Director Scott, seconded by Director Borden, the following resolutions were passed by a vote of 9 in favor and 0 against:

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The form of the Agreement dated February 16, 1983 between Wells Rural Electric Company as Seller and Carlin Gold Mining Company as Consumer before this meeting be and the same hereby is approved, subject to and with any and all changes therein as hereinafter provided for.
2. The President or Vice President and the Secretary or Assistant Secretary or other proper official or officer of Wells Rural Electric Company be, and each of them hereby is, authorized and empowered to execute and deliver on behalf of the Seller, an agreement substantially in the form of the Agreement dated February 16, 1983, before this meeting, with such changes, insertions, deletions, substitutions and additions therein, if any, as the official or officer so executing said agreement shall deem necessary and advisable and approve, such approval being conclusively evidenced by the execution and delivery of said agreement.
3. Each and every proper official, officer or employee of the Seller be and the same is hereby authorized and empowered to take all action, including, without limitation, the execution and delivery of documents, and to do or cause to be done all such acts and things, and to take all such steps, as may in each case be, in the opinion of the person taking such action necessary or desirable in order to carry out the full intent and purpose of these resolutions.

Mock and Long: Maggie Creek, Mock and Long are all in Sierra Pacific's territory. We serve Maggie Creek and Mock and Long have requested that we provide service to them also. Attorney Johnson of the Nevada PSC has informed Bob Vaughan of a way we could serve them. If Sierra Pacific would petition the PSC that we are serving in their territory and there will be a duplication of service, the commission could certify us both in that territory. VERNON SCOTT MOVED WE FOLLOW THE SUGGESTION OF THE COMMISSION ATTORNEY TO TRY TO SERVE THESE PEOPLE. JESSE LARSEN SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

Land for new office - Wells: Wanda went over some information she got on the land. We need to present this information to REA for their approval. The land by the Service Center is available for \$100,000. We will get all the information together on the 20 acres to send to REA to see if they will approve it before we do anything else.

New office - Carlin: David Hayes had a bid opening in his office. There were 7 bids received. The low bid was \$297,272 from E & M Builders in Elko. There was a \$6,000 error in the addition by one of the sub-contractors which would bring the bid up to approximately \$303,000. DARYL ERIKSEN MOVED WE ACCEPT THE ORIGINAL BID OF \$297,272. RAY CRAWFORD SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

New Wells Substation: Power Engineers is still negotiating for the land. We have some of the equipment on order and some more to order but it is on hold awaiting approval of our loan.

Safety Report: In last months agenda, we had a report of a sign in Wendover that was to close to the primary. We contacted Jim Taylor of the Goldrush and asked him to correct the problem but he refused so we corrected it. The Safety Meeting for February 1983 was held at the Service Center on February 25, 1983 with 16 employees in attendance. Vic Olsen from Ruralite Services presented a very good safety class on Basic Understanding of Fault Current. There were no near misses or lost time accidents. As of March 8, 1983, we have logged 1,509 accident free days with no lost time. All vehicles were inspected for safety. The rubber gloves arrived back from Arnett Testing Lab inspected and were distributed to all linemen. There were no hazardous conditions reported. The next Safety Meeting will be held on March 23rd on Operation and Safety of the Digger/Derrick by Mark Seeronen of Altec.

Construction Report: Our crews have been busy adding fused cutouts to side taps to isolate any faults from the main circuits. We are doing this on all of our circuits. The line 2-8 tie line is progressing well. Our crew is doing this entire job. We have switched line 7 to line 1 so that the line 7 run from the sub to the Metropolis road will not be energized. Surge arrestors have been installed on all radial feed padmounts to eliminate any damage from over voltage or lightning strikes. In Carlin, several alleys have been adapted to bring us into code for joint telephone contacts as well as secondary drop clearances. In Wells, our crew is going to attempt to do most of our heavy construction instead of subcontracting the work, as has been the case in the past. This program will be solely dependent on individual project timing as well as local work.

Engineering Report: In Carlin, we are still in the process of rebuilding and re-routing many of our services. We have been coordinating with CPN in this project. Also in Carlin, we are planning to build a new 25 kV line to replace old line 1 out to the step-up transformer. This will eliminate the need for this step-up bank and also provide better service for a large area within the city. In Wells, we are preparing for the new substation as well as building a tie line and new feeder. Contractors will turn in bids this week for re-conductoring ten miles of the Metropolis line. The Wells crew is in the process of adding several fuses to our lines north and south out of town. This will help a great deal in finding the cause in case of an outage. Kirk Dahl has contacted us about a three phase line extension for a Desert Land Entry in North Ruby Valley. In Wendover, the BLM is planning to sell off

some of their land and this could result in more growth in the area. Also in Wendover, we are expecting to hear from the contractors involved in the construction of the three new casinos that have been planned for 1983.

Outage Report: For the month of February, we had a total of 17 outages system wide. The majority of these outages occurred in Carlin with a total of 10 outages. Six of the outages were scheduled for rebuilding and upgrading purposes. Wendover had 4 outages with one scheduled for a transformer replacement and Wells had 3 unscheduled outages. Totals include 1,942 consumers out of power with a total of 4293.25 hrs. of consumer outage time. Warren contacted Sierra Pacific regarding the Humboldt River outage. We received a response today but it was not too favorable.

Hydro Report: For the month of February, the hydro has put out approximately 30,000 kWh. This has been a wet winter and the kw output has been great. Due to a few malfunctions, the hydro has been off the line a number of hours. This has been corrected. There is a moss that forms on the screen and will not let the water flow through. Gene has to walk on snow shoes to clear it off. This only happens in the winter. Gene is waiting for a report from the Forest Service. They think they know how to slow down the growth of the moss. However, this is not fool proof. A syncroscope has been installed. Gene is waiting for the hydro to kick off line to adjust it for right direction. This will be of great help to put it on line. However, the light method has been used for many years on a lot of different generators.

Member Services Report: Dan is attending the second session of the NRECA Manager's Internship Program in Lincoln, Nebraska for two weeks. He has been continuing the school education programs and also a presentation to the Wells Cub Scouts on conservation. The Annual Meeting plans are progressing very well. Will have a full report in the April agenda.

Power Supply: Vernon and Daryl from the board and Clay and Lee from the staff attended the Portland meeting, held by NWPPA and PPC, outlining the "Regional Conservation and Electric Power Plan." BPA has started holding meetings and discussions of the "Exchange Transmission Credit Agreement." We probably will be able to meet with them in Burley later this month. BPA postponed the March 1st meeting until March 29th at Burley for discussion of the 1984 budget and rate increase scheduled for November 1, 1983.

New Memberships: DARYL ERIKSEN MOVED WE APPROVE THE 6 MEMBERSHIPS FROM WELLS, 13 FROM WENDOVER AND 8 FROM CARLIN. RAY CRAWFORD SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

The May Legislative Rally is May 1-5. The breakfast will be on the 2nd. JESSE LARSEN MOVED VERNON DALTON BE ALLOWED TO ATTEND THE MAY LEGISLATIVE RALLY. VERNON SCOTT SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

Manager's Report: We need a resolution to transfer funds from transmission to distribution on our loan package. RAY CRAWFORD MOVED WE ADOPT THE RESOLUTION. VERNON SCOTT SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

The meeting adjourned at 4:35 p.m.

D. VERNON DALTON, PRESIDENT

WANDA BORDEN, SECRETARY