

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

May 30, 1986

A special meeting of the board of directors of Wells Rural Electric Company was held in the Wells office pursuant to a Resolution signed by Wanda Borden, Secretary, a copy which is attached hereto. The meeting was called to order on Friday, May 30, 1986 at 9:00 a.m. and presided over by President Vernon Dalton.

Directors present were Wanda Borden, Larry Bradshaw, Ferris Brough, Ray Crawford, Vernon Dalton, Lois Nannini, Vernon Scott, Leslie Sharp, Claudia Wines, and Mary Wright. Daryl Eriksen was not present.

Present from the staff were Dan Kessler, Buddy Welsh, Paul Johnson, Warren Linnell and Diane Griswold.

Lease Agreement:

Copies of a letter from Bob Vaughan containing the lease agreement on the old building were sent to the board members. VERNON SCOTT MADE THE MOTION TO ACCEPT THE LEASE AGREEMENT DRAWN BY BOB VAUGHN; WANDA BORDEN SECONDED, MOTION PASSED UNANIMOUSLY.

Property Taxes:

Dan Kessler reported that the property tax figure on the old building for the 1986-1987 tax year is 2.1804 per \$100.00 of assessed value which is approximately \$383.55.

Donations:

The Boy Scouts of America Troop in Wendover requested they salvage the portion of line WREC retired on #4 AAC Line for scrap (approximately 7,000 feet). The cost is approximately \$183.00 (1220 lbs @ .15 cents per lb. scrap). The troop will do all of the retiring, unclipping of the wire, and rolling up the wire etc.. FERRIS BROUGH MADE THE MOTION TO DONATE THE RETIRED PORTION OF THE LINE TO THE BOY SCOUTS OF AMERICA TROOP IN WENDOVER, SECONDED BY CLAUDIA WINES; MOTION PASSED UNANIMOUSLY.

Member Survey:

Dan Kessler gave an update on the member survey.

Nominating Committee:

Lorinda Wines, Betty Thorne, Luanna Dean and Pat Griswold accepted to serve on the nominating committee. The committee is to meet at the Wells office on June 9, at 9:00 a.m..

The City of Wells made a proposal to WREC that the water from the geothermal well at the new building be pumped into the city's system and the city will waive all water costs for the service center, the old WREC building, and the new WREC building (\$74.10 monthly). This is to include any future increases of the water billing. VERNON SCOTT MADE THE MOTION TO ACCEPT THE CITY OF WELLS'S PROPOSAL, SECONDED BY LESLIE SHARP. A short discussion followed. THE MOTION PASSED UNANIMOUSLY.

Quarterly Budget:

A recap of the second, third, and fourth quarter of 1985 and the first quarter of 1986 budget were presented to the board. Dan Kessler asked that the board approve the first quarter of 1987 budget. The staff passed out to the board a rolling twelve month analization of the budget figures of the last twelve months, actuals for the last twelve months, and a summation of the second quarter '86, third quarter '86, fourth quarter '86 and first quarter '87. The staff explained a line by line breakdown in each department.

IT WAS ON MOTION BY WANDA BORDEN, SECONDED BY LARRY BRADSHAW AND PASSED, UNANIMOUSLY TO AUGMENT THE BUDGET FOR LINE 8 FOR THE SECOND, THIRD, AND FOURTH QUARTERS OF 1986.

Vernon Scott commented that the budget was very well presented.

MARY WRIGHT MADE THE MOTION TO ADOPT THE QUARTERLY BUDGET AS PRESENTED, SECONDED BY FERRIS BROUGH; MOTION PASSED UNANIMOUSLY.

MEETING ADJOURNED AT 10:30 A.M..

D. VERNON DALTON, PRESIDENT

WANDA BORDEN, SECRETARY