

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

**OCTOBER 17, 1986**

The regular meeting of the board of directors of Wells Rural Electric Company was held in the Wells office and called to order on October 17, 1986, at 9:00 A.M.. The meeting was 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, Mary Wright. Daryl Eriksen and Jerry Parkin were not present.

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

**CORRECTION OF THE MINUTES:**

The correction to the September 19, 1986, Minutes stand corrected as follows:

LOIS NANNINI MADE THE MOTION TO DONATE \$100.00 TO SEND CINDY SHAMBLIN TO SAN DIEGO AS A PARTICIPANT IN THE ALL AMERICAN DRILL TEAM. MOTION SECONDED BY RAY CRAWFORD. A discussion followed. DARYL ERIKSEN MADE THE MOTION TO AMEND THE MOTION AND TO INCREASE THE DONATION TO \$167.00. THE MOTION WAS SECONDED BY JERRY PARKIN. THE AMENDMENT AND THE MOTION AS AMENDED PASSED UNANIMOUSLY.

**ADDITIONS TO THE AGENDA:**

Region IX Reports were asked to be added. Also requested was the possibility of changing the November Board Meeting date.

**WPPSS UPDATE:**

A letter was sent to all board members from Bob Vaughan summarizing the WPPSS litigation. A meeting is scheduled in November 21, 1986, to be held in Seattle, Washington.

**NOVEMBER BOARD MEETING DATE CHANGE:**

Several dates were discussed and IT WAS ON MOTION BY LESLIE SHARP TO CHANGE THE NOVEMBER BOARD MEETING FROM NOVEMBER 21, 1986 AT 9:00 A.M. TO NOVEMBER 24, 1986, AT 9:00 A.M.. THE MOTION WAS SECONDED BY LARRY BRADSHAW; MOTION PASSED UNANIMOUSLY.

**BOARD/STAFF REPORT ON MEMBER CONTACTS:**

Reports were given on contacts made by both board and staff. The staff would like to keep a list of the contacts made so a follow-up can be made. Handouts on the number of member visits to all offices to pay their bills and a list of Complaints and Comments were passed out to the board.

A discussion was held on the possibility of a social worker type call to be made on disconnects before the disconnect takes place. This is to give assistance with financial planning or to provide a list of programs available through state and county agencies that assist with financial planning.

**GEOHERMAL BID:**

Bids were opened Tuesday, September 30, 1986, at approximately 2:00 P.M.. Bids were received from Synder Plumbing (\$15,016.00) and Penrod Plumbing (\$21,725.00). No other bids were received. IT WAS ON MOTION BY VERNON SCOTT TO ACCEPT THE SYNDER PLUMBING BID: MOTION WAS SECONDED BY LARRY BRADSHAW; PASSED UNANIMOUSLY. Mary Wright withdrew her vote due to possible conflict of interest.

#### MANAGER'S REPORT:

The board table and chairs are to be delivered the end of November. Everything is on schedule.

#### Utah Rural Electric Association Annual Meeting:

The Utah Rural Electric Annual Meeting is to be held November 13, 14, 15, hosted by Bridger Valley from Wyoming at Park City, Utah.

#### WREC History:

Carol Hendershot of Elko is interested in putting together the History of WREC. She has done similar stories for the Museum Quarterly features. She will not be able to start the project until after January 1, 1987. She will contact Dan regarding the fees etc..

#### CAPS System:

Five systems are up and working on the CAPS computer system at this time. Everything is on schedule for the December 1, live billing.

#### Ruralite Magazine:

Notice was received from Ruralite Services regarding a \$50.00 surcharge per article. This is necessary due to the high travel expenses and time/effort required by the free lance writer/photographer. A discussion followed. WANDA BORDEN MADE THE MOTION TO ACCEPT THE \$50.00 PER ARTICLE FEE. THE MOTION WAS SECONDED BY RAY CRAWFORD; MOTION PASSED UNANIMOUSLY.

#### CFC Variable Long Term Interest Rate:

The CFC Variable Long Term Interest Rate is 7 3/8%.

#### Community Meetings/Board Room:

Due to the many requests to use the Board Room for community meetings, a schedule has been set up in the Conference Room. Availability of the Board Room should be checked before permission is given to use the room. A set of rules is to be set up regarding the use of the room. A discussion followed.

#### Drapes/Blinds:

The early morning sun presents a problem with reading the computer screens etc.. Solutions for this problem were discussed. IT WAS ON MOTION BY MARY WRIGHT TO PURCHASE VEROSOL TYPE BLINDS FOR ALL THE OFFICES THAT NEED THEM AND PUT THE BLINDS OUT FOR BID. THE MOTION WAS SECONDED BY WANDA BORDEN; MOTION PASSED UNANIMOUSLY. The Board authorized Dan Kessler to award and put out the bid as soon as possible.

#### Geothermal Well Testing:

An additional test (Bacteriological) on the geothermal well was recently completed.

#### IBEW Negotiations:

Dan Kessler gave an update on the IBEW negotiations.

#### Telecommunications:

A discussion was held on whether or not WREC would join the National Rural Telecommunications Cooperative. The fees are a \$1000.00 membership fee and annual dues for a period of five years of \$500.00 per year. IT WAS ON MOTION BY MARY WRIGHT TO JOIN THE NATIONAL RURAL TELECOMMUNICATIONS COOPERATIVE AND APPROVE THE RESOLUTION AUTHORIZING EXECUTION OF APPLICATION OF MEMBERSHIP IN NATIONAL RURAL TELECOMMUNICATIONS COOPERATIVE AND PAYMENT THEREOF. THE MOTION WAS SECONDED BY LESLIE SHARP; MOTION PASSED UNANIMOUSLY. \*See attached copy.

Break was called 10:30 A.M..

Called back to order 10:45 A.M..

#### Collections Report:

The Collections Report was passed out to the board and discussed.

#### BPA Customer Meeting:

Vernon Dalton, Mary Wright and the Management Staff attended a BPA Customer Meeting in Burley, Idaho on October 6, 1986. A report was given by Dan Kessler. Jim Jura, BPA Administrator, announced BPA's proposal of an approximate 13% increase in wholesale power for October 1987. WREC's increase will be determined from the Cost of Service Study to be done next year.

#### Territorial Filing:

A report was given by Dan Kessler on Wells Rural Electric Company's intervention in the Sierra Pacific territorial filing. A thorough discussion followed. Hearings are scheduled for the week of December 2.

#### US Sprint Distribution Line:

A request was received from Jerry Canning of Sierra Pacific Power Company for Wells Rural Electric to wheel power (10 KW) to a site 400 feet off our existing Pine Valley facilities. The Board is taking the proposition under advisement.

#### Quit Claim Deed:

LARRY BRADSHAW MADE THE MOTION TO SIGN THE QUIT CLAIM DEED RELINQUISHING OUR RIGHT-OF-WAY EASEMENT FOR AN OVERHEAD LINE THAT HAS BEEN REROUTED UNDERGROUND IN A DIFFERENT LOCATION. THE OVERHEAD LINE HAS BEEN REMOVED TO FACILITATE THE CONSTRUCTION OF THE WENDOVER SHOPPING CENTER. THE MOTION WAS SECONDED BY FERRIS BROUGH. A discussion followed. THE MOTION PASSED UNANIMOUSLY.

#### Public Service Commission of Utah:

A management audit is available through the Public Service Commission of Utah. After a thorough

discussion, the board decided against using the management audit.

Nevada Public Service Commission:

A hearing is scheduled November 25, 1986 for the proposed regulation amendment of Commissions, Rules and Practice #NAC Chapter 703. The staff has written to the Public Service Commission for the proposed changes in writing. Staff will be attending the meeting.

Policy Changes:

The proposed change to Policy 4-1 was handed out to the board. It was decided to have the Policy Committee review the changes before a decision is made. Policy 4-2, Capital Credits, modifications to be made - Bob Vaughan is reviewing at this time. Policy 7-2, Employee Practices, to be reviewed after union negotiations are through.

A lunch break called 12:00 noon.

Called back to order 1:00 P.M..

BOARD COMMITTEE REPORTS:

The Executive Committee appointed the new board committees. A list will be sent to each board member.

OFFICE SERVICES REPORT:

The new computer was shown to the board members.

SAFETY REPORT:

A discussion was held as to whether or not consumer/owned facilities that did not meet the National Electric Safety Code requirements could affect WREC's efforts towards NRECA's Safety Accreditation.

ENGINEERING/OPERATIONS REPORT:

The mobile radio system is interconnected with the telephone system.

HYDRO REPORT:

The Forest Service stated that the reseeding of the disturbed earth along the pipeline take place after the first snow fall. Also some blading is needed on the road.

MEMBER SERVICES REPORT:

The school programs have been set up for the last week of October.

ACRE:

A new ACRE year is beginning. Paul will contact everyone regarding the dues.

NEW MEMBERSHIPS:

IT WAS ON MOTION BY VERNON SCOTT TO ACCEPT 56 NEW MEMBERSHIPS: 7 IN WELLS,

NEVADA; 14 IN CARLIN, NEVADA; 15 IN WENDOVER, UTAH; 20 IN WENDOVER, NEVADA. THE MOTION WAS SECONDED BY FERRIS BROUGH; MOTION PASSED UNANIMOUSLY.

#### COMPUTER WORKSHOP:

Vernon Dalton requested permission to go to the Computer Workshop in Eugene, Oregon. There were no objections.

#### REGION IX MEETING:

Reports were given by those attending the Region IX Meeting and the Legal Seminar held before the Region IX Meeting. A discussion followed the reports.

Takeovers and Sellouts were discussed.

#### REA FORM 7:

The REA Form 7 was passed out to the board and a discussion followed.

#### NOVEMBER BOARD MEETING:

3rd Quarter 1987 Budget, a review of the most recent CFC Trend Analysis, and the manager's evaluation will be discussed at the November Board Meeting.

#### EMPLOYEE/DIRECTOR BANQUET:

The Employee/Director Christmas Banquet will be held December 12, 1986.

The meeting adjourned at 2:00 P.M..

D. Vernon Dalton, President

Wanda Borden, Secretary