

HTML contains invalid UTF-8 character(s)

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

JUNE 19, 1987

The regular meeting of the Board of Directors of Wells Rural Electric Company was held in the Wells office and called to order June 19, 1987, at 9:00 A.M.. The meeting was presided over by President Vernon Dalton.

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

Present from the staff were Dan Kessler and Diane Griswold.

APPROVAL OF THE MINUTES:

The minutes of the regular meeting held May 15, 1987, will stand approved as written.

ADDITIONS TO THE AGENDA:

The additions to the agenda are listed as follows: Harry Copelan, High Desert Advocate; North East Nevada Development Authority; discussion on bringing power to the North Ruby Community Hall; and the ladies restroom (WREC). There were no objections to the above additions.

WAGE AND SALARY UPDATE:

The Wage and Salary Update is progressing very well. The final presentation will be made by John Mashaw of NRECA on July 16, 1987, during the Financial Advisory Committee meeting. Some items to be discussed during the meeting are: Board compensation and the survey results (sent to cooperatives with similar size plant, density factors, revenues, etc.).

BOARD/STAFF REPORTS ON MEMBER CONTACTS:

Reports were heard and discussed regarding member contacts made this past month.

The Office Payment record and Comments/Questions sheet were handed out to the Board.

MANAGER'S REPORT:

The Legislative Session went well in regard to Wells Rural Electric. AB 751 Takeovers and Sellouts - passed the Senate, which more adequately covers cooperatives from Takeovers and Sellouts. It will require 3/4 affirmative vote of the Board of Directors, as well as 2/3 affirmative vote from members present to sell a cooperative. Mt. Wheeler oriented AB 721 - Interruptible Rates for Irrigation - the Assembly passed a resolution mandating Mt. Wheeler do a management audit, an independent cost of service study, and lower the irrigator rates 1/2 **[[#162]]**. At this time, it does not affect Wells Rural Electric. A discussion followed.

Vernon Dalton and Dan Kessler reported on the meeting held in Burley, Idaho on May 28, 1987 with

BPA Administrator, Jim Jura. A discussion followed in regard to causes and effects of rates.

The Nominating Committee met June 9. A report was given by Dan Kessler. The Committee members are: Elaine Swanson, Chairperson; Luana Dean, Shirley Garrett, and Lourinda Wines. Tuesday, July 14, at 10:00 A.M., has been set as the next meeting in which the nominations will be reviewed and approved. Authorization, by the Committee, was given to Management to open the nominations, access the computer to check the qualifications of each nominee and send out all news releases.

NRECA Director's Update Course (282.1) is scheduled for Salt Lake City, September 8-10.

CFC interest rates are up 1/8% on the Variable Long-Term (7 5/8%); Long-Term Converted Fixed Rate is 9 3/8%. Interest rates are predicated to move upward in late 1988 and 1989. It was noted that CFC is moving their headquarters near the Dulles Airport.

Investments made were reported.

Tony Glauser, REA Field Representative, would like to bring a Board Assessment exercise to the September 18, 1987, Board meeting. There were no objections.

CFC requested that WREC participate in the Integrity Fund. The Fund is financial assistance to cooperatives threatened by Takeovers and Sellouts. 5% of WREC's 1987 CFC Patronage Capital Refund (\$390.00), or \$20.00, will be retained for five years and invested in CFC Short-Term securities. A discussion followed. IT WAS ON MOTION BY MARY WRIGHT TO ACCEPT PARTICIPATION IN THE CFC INTEGRITY FUND. THE MOTION WAS SECONDED BY VERNON SCOTT. THE MOTION PASSED UNANIMOUSLY.

Robert Mally, NRECA Field Representative of Retirement, Safety, and Insurance, would like to meet with the Board and employees, Tuesday, July 7, to review several programs that NRECA offers. IT WAS ON MOTION BY DARYL ERIKSEN TO CALL A SPECIAL BOARD MEETING, TUESDAY, JULY 7, 1987, AT 9:00 A.M., TO REVIEW THE PROGRAMS OFFERED BY NRECA. THE MOTION WAS SECONDED BY JERRY PARKIN; MOTION PASSED UNANIMOUSLY.

Walter Winchell, Wells Rodeo Committee President, requested a \$250.00 donation for this year's PRCA Rodeo. It was noted that the PRCA Rodeo is on the standard donation list for \$50.00. IT WAS ON MOTION BY MARY WRIGHT TO DONATE A TOTAL OF \$250.00 (\$200.00 PLUS THE STANDARD DONATION OF \$50.00) FOR THIS YEAR'S PRCA RODEO HELD IN WELLS. THE MOTION WAS SECONDED BY RAY CRAWFORD; MOTION PASSED UNANIMOUSLY.

Dan Kessler gave an update on the preliminary review done by Petty & Associates regarding the geothermal feasibility study. Mr. Petty is scheduled to attend the July Board Meeting with a complete update.

A break was called at 10:00 A.M. Called back to order 10:15 A.M.

MANAGER'S REPORT CONTINUED:

Dan Kessler, Warren Linnell, and Ken Schlecht met with Sierra Pacific Co. June 8, in regard to the Rain Project, U.S. Sprint site, 120 KV Line, 69 KV Line, additional wheeling capacity and service area boundaries. A report was given by Dan. A discussion followed.

Ken Schlecht presented and explained to the Board the proposed amendment to the 986 & 1987 Construction Work Plan. A thorough discussion followed and IT WAS ON MOTION BY DARYL

ERIKSEN TO SIGN THE RESOLUTION AND TO APPROVE THE AMENDMENT TO THE 1986 AND 1987 CONSTRUCTION WORK PLAN. THE MOTION WAS SECONDED BY LARRY BRADSHAW; THE MOTION PASSED UNANIMOUSLY. * See exhibit I. Also presented to the Board was a Resolution approving the revised Exhibit H to the Power Sales Contract #DE-M579-81BP90571 with BPA. This revision changes the points of delivery; adding Eightmile Creek, West Wells and West Wendover points of delivery, and changes the Wells 69 KV point of delivery due to the sale CP National Corporation's facility to Sierra Pacific Power Company. The effective date was April 27, 1984 (the paper work has just been received from BPA). IT WAS ON MOTION BY LARRY BRADSHAW TO APPROVE THE RESOLUTION IN REGARD TO REVISED EXHIBIT H TO THE POWER SALES CONTRACT #DE-M579-81BP90571. THE MOTION WAS SECONDED BY DARYL ERIKSEN; MOTION PASSED UNANIMOUSLY. * See exhibit 11.

Three copies of the Certificate of Amendment of the Articles of Incorporation, adopted at the April 23, 1987 meeting and passed at the May 2, 1987 Annual Meeting, were presented to the Board President and the Acting Secretary for signatures.

A recap of the Rural Electric Management Development Council (REMDC) meeting May 17-21, was given by Dan Kessler. A plaque was presented accepting Wells Rural Electric Company as a member.

A thorough discussion was held regarding retirement and bringing in programs to help people nearing retirement prepare for and make the transition to retirement easier. It was requested by Management that a Phase Out Retirement Program be prepared and brought before the Board for their approval. There were no objections, approval was granted. Also discussed were seminars regarding financial planning for employees and board members.

National Rural Telecommunications Cooperative (NRTC) has put a programming package together available this summer. The stations and programs that will be available were listed. NRTC is scheduling a meeting for the end of June/first of July.

A contract signed and sent by Tony Kerbovich regarding the sale of Mr. Kerbovich's land to WREC for storage was received and presented to the Board.

It was noted that no action was taken at the May 15, 1987 Board Meeting regarding the sale of land. A discussion followed with no action taken.

A configuration showing the computer network hookup with the district offices was presented to the Board.

Management has not received any information regarding the Clover Valley petition sent to WREC and forwarded to the Public Service Commission.

The Form 7 was reviewed.

NORTHEASTERN NEVADA DEVELOPMENT AUTHORITY:

Mike Eriksen, Drew Thiercof, and Ralph Walborn of North East Nevada Development Authority (NENDA) asked to approach the Board. Mike Eriksen gave a brief description of the organization and Drew Thiercof explained the goals and purposes of NENDA. The Council requested that the Board recommend people from WREC's Board or staff and send letters to the City of Wells, Carlin and the County Commissioner with the recommendations, to fill the vacancies on the NENDA Board. A discussion followed. IT WAS ON MOTION BY DARYL ERIKSEN THE BOARD PREPARE LETTERS TO BE SENT TO THE CITY OF WELLS, THE CITY OF CARLIN AND THE COUNTY

COMMISSIONER RECOMMENDING THAT, IF A POSITION IS OPEN FOR APPOINTMENT ON THE NENDA BOARD, THE FOLLOWING PEOPLE BE CONSIDERED FOR APPOINTMENT; DAN KESSLER - CITY OF WELLS; EITHER WANDA BORDEN, LARRY BRADSHAW OR VERNON SCOTT - CITY OF CARLIN; AND MARY WRIGHT - ELKO COUNTY. THE MOTION WAS SECONDED BY LOIS NANNINI; MOTION PASSED UNANIMOUSLY.

It was decided to have further discussion regarding area and economic development during the Special Board Meeting scheduled July 7, at 9:00 A.M.

A lunch break was called at 12:00 noon. Called back to order at 1:00 P.M..

WPPSS UPDATE:

Dan Kessler reported on what was covered regarding WPPSS at the BPA meeting.

COLLECTION REPORT:

The Collection Report was reviewed and discussed.

OFFICE SERVICES REPORT:

Lorrie Egbert has been hired as a temporary secretary (position will terminate September 30) and Michelle Jackson has been hired as part-time help in Carlin. Michelle is a student at Carlin High School.

SAFETY MINUTES:

IT WAS ON MOTION BY LARRY BRADSHAW TO APPROVE THE SAFETY MINUTES OF MAY 22, 1987. THE MOTION WAS SECONDED BY LESLIE SHARP; MOTION PASSED UNANIMOUSLY.

ENGINEERING/OPERATIONS REPORT:

Tina Loveridge has been hired as a meter reader/laborer in Carlin to replace Clint Mills who is moving to Wells as an apprentice lineman.

HYDRO REPORT:

It was suggested that a maintenance assessment for the Hydro be done. A trip the Board to the Hydro will be scheduled.

MEMBER SERVICES REPORT:

A record number of ACRE memberships for the Company was reported this year.

NEW MEMBERSHIPS:

IT WAS ON MOTION BY VERNON SCOTT TO ACCEPT 66 NEW MEMBERSHIPS; 15 - WELLS, NEVADA; 8 - CARLIN, NEVADA; 17 - WENDOVER, NEVADA; AND 26 - WENDOVER, UTAH. THE MOTION WAS SECONDED BY LESLIE SHARP; MOTION PASSED UNANIMOUSLY.

HARRY COPELAN:

Harry Copelan, High Desert Advocate, requested to be added to the Agenda, but did not attend this

Board meeting.

NORTH RUBY COMMUNITY HALL:

Leslie Sharp requested, on behalf of the members of Ruby Valley, that power be run to the North Ruby Community Hall, Woodpecker Hall, and WREC donate the materials as a community service. A thorough discussion followed. IT WAS ON MOTION BY RAY CRAWFORD TO DONATE THE MATERIALS TO RUN A POWER LINE TO THE NORTH RUBY COMMUNITY HALL. THE MOTION WAS SECONDED BY DARYL ERIKSEN; MOTION PASSED UNANIMOUSLY.

WREC LADIES RESTROOM:

It was suggested by Mary Wright that the ladies restrooms have a closet or lockers installed and a cupboard made beneath the sink. There were no objections.

COMMUNITY DEVELOPMENT:

It was suggested that more time from the Board be spent toward community development. A discussion followed. A discussion was also held on holding Board Meetings in Wendover and Carlin.

The meeting adjourned at 2:00 P.M.

Vernon Dalton, President

Mary Wright, Acting-Secretary

mPDF error: