

**HTML contains invalid UTF-8 character(s)****THE MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF  
WELLS RURAL ELECTRIC COMPANY****JANUARY 25, 1991**

The regular meeting of the Board of Directors of Wells Rural Electric Company was held in Wells, Nevada in the board room of the Wells office and called to order January 25, 1991, at 9:00 a.m. The meeting was presided over by President D. Vernon Dalton.

Directors present were Larry Bradshaw, Ferris Brough, Ray Crawford, D. Vernon Dalton, Daryl Eriksen, Robert Harris, Lois Nannini, Jerry Parkin, and S.J. Smith. Wanda Borden and Vernon Scott were not present.

Staff members present were Daniel L. Kessler, Jr., General Manager; Clay Fitch, Manager, Finance/Administration; Warren Linnell, Manager, Engineering/Operations; and Paul Johnson, Manager of Member Services. Also present was Diane Griswold, Executive Secretary.

**APPROVAL OF MINUTES:**

The minutes of the regular meeting of December 21, 1990 will stand approved as written.

**ADDITIONS TO THE AGENDA:**

An executive session was requested. There were no objections. Tom Blankenship, Manager, BPA Boise District, asked to be placed on the agenda. There were no objections.

A Service of Excellence Certificate from NRECA Safety Accreditation Program was received and presented to the board. We have been recertified in the program for 1990-1993.

**TOM BLANKENSHIP, BPA:**

Tom Blankenship, Manager of Bonneville Power Administration Boise District office, gave an update on the endangered and threatened species issue and the Salmon Summit meeting.

The board was presented with BPA[[#146]]s Phasing the Columbia Basin Accord and the ESA. The accord outlines the conditions that impact fish by both the federal system and other types of activities. It also addresses the main issues such as migration, survival, harvest, habitat, and production of fish. A discussion ensued.

Also thoroughly discussed was BPA[[#146]]s proposed rate increase in October 1991.

Mr. Blankenship and Dan reported on future capacity needs of WREC and the options available to meet those needs: construction of a BPA transmission line; Idaho Power Southwest Intertie Project; expanded wheeling with SPPCo. BPA, Idaho Power, and Sierra Pacific Power Company will consider the option using a one utility concept in order to provide future capacity requirements.

The probability of Thousands Springs Project being rejuvenated was discussed.

BPA[[#146]]s Ten Year Financial Forecast was discussed. (Daryl Eriksen came in at this time.)

Mr. Blankenship addressed BPA **[#146]**'s developing a pilot program for geothermal resources and uses. A discussion ensued.

A recess was called at 10:25 a.m. The meeting was called back to order at 10:40 a.m.

#### EXECUTIVE SESSION:

An executive session was called to discuss the Wendover land and building plans and board expenses.

A lunch recess was called at 12:00 noon. The meeting was called back to order at 1:30 p.m.

The executive session continued.

#### MICROWAVE CAPACITY:

A copy of a letter from Nevada Communications Equipment to Western Communications regarding two telephone lines from Mary **[#146]**'s Mtn. Was handed out for board review and discussion.

Bob Vaughan, attorney, is drafting a contract between WREC and Western Communications for our excess microwave capacity.

#### MEMBER CONTACTS:

Member contacts made were reported.

A discussion was held regarding outage procedures. Bob Vaughan is to send an opinion regarding our liabilities in an outage.

#### MANAGER **[#146]**'S REPORT:

Due to the long cold period experienced in December, a bill stuffer will be sent to all members explaining the probable increase in power usage on their bills. The stuffer broke down the number of days of the cold period and recorded temperatures.

CFC update was given. Total interest earned through November 1990 and CFC interest rates were reported.

Board approval was requested for retiring \$280,913.00 in capital credits. Fifty percent of the retirement will pay the year 1977 and a portion of 1978 with the remaining fifty percent being paid over the remaining years through 1989. IT WAS ON MOTION BY S.J. SMITH, SECONDED BY JERRY PARKIN, AND PASSED UNANIMOUSLY TO RETIRE \$280,913.00 IN CAPITAL CREDITS.

A donation request was received from the Elko Big Horns. The donation can be cash contribution or a gift to be auctioned at their crab feed scheduled February 9. AFTER DISCUSSION AND AMENDMENT, IT WAS ON MOTION BY ROBERT HARRIS, SECONDED BY RAY CRAWFORD AND PASSED UNANIMOUSLY TO DONATE A METER LAMP AND SEND A LETTER TO THE ELKO BIG HORNS STATING THAT SOME OF OUR MEMBERS WERE ASKING ABOUT HOSTING A "CRAB" FEED WHEN BEEF AND SHEEP ARE RAISED IN THIS AREA.

A donation request was received from NENDA. AFTER A LENGTHY DISCUSSION IT WAS ON MOTION BY DARYL ERIKSEN, AND SECONDED BY RAY CRAWFORD TO DONATE \$3,000.00 TO NENDA. ON MOTION BY ROBERT HARRIS, SECONDED BY FERRIS BROUGH AND

PASSED UNANIMOUSLY, THE MATTER WAS POSTPONED UNTIL AFTER THE STRATEGIC PLAN DISCUSSION.

STRATEGIC PLAN:

The board and staff discussed the key issues of the company [146]'s Strategic Plan. The board [146]'s concerns will be addressed by staff for inclusion in the plan. The board was asked whether or not they preferred the sequence of events of developing the plan. The board unanimously approved of the plan [146]'s development format of staff development and board review. IT WAS ON MOTION BY DARYL ERIKSEN, SECONDED BY ROBERT HARRIS AND PASSED UNANIMOUSLY TO APPROVE THE STRATEGIC PLAN AS AMENDED.

NENDA DONATION:

AFTER A LENGTHY DISCUSSION AND AMENDMENT, IT WAS ON MOTION BY DARYL ERIKSEN, SECONDED BY RAY CRAWFORD AND PASSED UNANIMOUSLY TO APPROVE A DONATION TO NENDA IN THE AMOUNT OF \$3,000.00 WITH THE FOLLOWING STIPULATIONS: THE DONATION WILL BE PAID IN QUARTERLY PAYMENT OF \$750.00; NENDA IS REQUIRED TO SHARE WITH THE MEMBER SERVICES DEPARTMENT ALL INFORMATION RECEIVED REGARDING ANY CONTACTS OR INQUIRIES MADE WITHIN OUR SERVICE AREA; THE MEMBER SERVICES DEPARTMENT RESERVES THE RIGHT TO CONTACT THE INTERESTED PARTIES; ALL INFORMATION WILL BE HANDLED CONFIDENTIALLY.

MANAGER [146]'S REPORT CONTINUED:

Dan gave an update on the accident of December 20, 1990 near Wendover involving Union Pacific Railroad personnel and our distribution line.

Harry Copelan has requested a meeting with the Member Relations and Area Development Committee on January 30, 1991. Due to the conflicting schedules, the board has asked Dan to meet with Copelan on their behalf.

NRECA Directors Conference is scheduled for March 23-27 at the Opryland Hotel in Nashville, Tennessee.

The Wendover outage was caused by vandalism on the Raft River line. Raft River has offered \$1000.00 reward for those caught and convicted. WREC matched those funds. A discussion ensued. IT WAS ON MOTION BY JERRY PARKIN, SECONDED BY DARYL ERIKSEN AND PASSED UNANIMOUSLY TO OFFER A REWARD UP TO \$1000.00 FOR INFORMATION LEADING TO THE ARREST AND CONVICTION OF ANYONE VANDALIZING WREC PROPERTY, EQUIPMENT, ETC.

Dan gave an update on the Southwest Intertie Project and reported on the meeting he attended January 8.

NRECA Legislative Conference is scheduled for April 29 and 30. The NREA breakfast is scheduled for April 29 at 7:30 a.m. in the Bryce Room at the Hyatt Regency on Capitol Hill. The Northwest Reception is scheduled for April 30 at 5:00 p.m. in the Rayburn building. Appointments with our representatives will be scheduled.

It was noted that the Board Retreat was well attended and went very well.

Dan gave an update on BPA briefs. BPA has scheduled a customer meeting in Burley, Idaho on February 21. Transportation to the meeting will be available for directors attending.

NRECA has invited two cooperatives (Carroll EMC & WREC) to participate in a pilot program scheduled February 14 and 15. The program involves evaluations and employee involvement. Dan, Clay and Warren will attend the meeting. NRECA is paying all expenses.

IT WAS ON MOTION BY S.J. SMITH, SECONDED BY LOIS NANNINI AND PASSED UNANIMOUSLY TO MOVE THE FEBRUARY BOARD MEETING DATE TO THE 22<sup>ND</sup>.

The 1991 Christmas party was discussed.

A history of scholarship recipients (1972-present) was made available to the board for review.

KRJC is sponsoring a new promotion "Business of the Week" for area business. WREC will be participating. There will be 35 ads and 4 interviews for \$300.00. The Super Good Cents Program will pay on half of the fee.

A letter from Dave Piper, PNGC, was received requesting renewal of our membership. IT WAS ON MOTION BY LARRY BRADSHAW, SECONDED BY ROBERT HARRIS AND PASSED UNANIMOUSLY TO RENEW OUR MEMBERSHIP IN PNGC.

Policy 7-2 with the proposed revision regarding military leave was presented to the board for consideration. Following discussion, it was requested that more information would be necessary before a decision could be made. The revision will be brought before the board at the February meeting.

Raft River [[#146]]s Annual Meeting is scheduled February 9. There were no objections to granting the proxy to a staff member attending.

The 1991 AWARE Groups are being organized.

#### POWER SUPPLY REPORT:

A new system peak was set in December of 55.7MW.

#### FINANCIAL/ADMINISTRATIVE REPORT:

First Interstate Bank has requested new signature cards for the checking account for the 125 Cafeteria Plan. IT WAS ON MOTION BY S.J. SMITH, SECONDED BY DARYL ERIKSEN AND PASSED UNANIMOUSLY TO APPROVE THE SIGNATURE CARD RESOLUTION FOR THE NEW CHECKING ACCOUNTING ACCOUNT.

1990 write-offs were presented to the board for consideration. Following a discussion, IT WAS ON MOTION BY LARRY BRADSHAW, SECONDED BY RAY CRAWFORD AND PASSED UNANIMOUSLY TO APPROVE THE 1990 WRITE-OFF LIST. (EXHIBIT I)

#### COLLECTION/ACCOUNT AGING REPORT:

The Collection/Account Aging Report was reviewed and discussed.

#### SAFETY MINUTES:

IT WAS ON MOTION BY LARRY BRADSHAW, SECONDED BY FERRIS BROUGH AND PASSED UNANIMOUSLY TO APPROVE THE SAFETY MINUTES:

ENGINEERING/OPERATIONS REPORT:

The outage in Wendover was thoroughly discussed. The Operations department is developing a plan for backing up Wells and Wendover with the completion of second transformation bay in West Wendover Substation. Preliminary engineering and low flow analysis are being addressed to ascertain the feasibility of the plan. More information will be available during the February board meeting.

MEMBER SERVICES REPORT:

The Irrigation Workshop is scheduled for February 19.

NEW MEMBERSHIPS:

IT WAS ON MOTION BY RAY CRAWFORD, SECONDED BY JERRY PARKIN AND PASSED UNANIMOUSLY TO APPROVE 16 NEW MEMBERSHIPS: 4-WELLS, NEVADA; 5-CARLIN, NEVADA; 4-WENDOVER, NEVADA; AND 3-WENDOVER, UTAH.

The board requested the future information be presented in both text and graphic formats.

As there was no further business to come before the board, the meeting adjourned at 5:15 p.m.

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