

**HTML contains invalid UTF-8 character(s)****THE MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF  
WELLS RURAL ELECTRIC COMPANY****March 15, 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 March 15, 1991, at 9:00 a.m. The meeting was presided over by President D. Vernon Dalton.

Directors present were Wanda Borden, Larry Bradshaw, Ferris Brough, Ray Crawford, D. Vernon Dalton, Daryl Eriksen, Robert Harris, Lois Nannini, Jerry Parkin, Vernon Scott and S.J. Smith.

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 June 14, 1991 will stand approved as written.

**ADDITIONS TO THE AGENDA:**

It was requested that discussion on WREC Scholarships and credit unions be added to the agenda. There were no objections to these additions.

**AUDITOR~~[[#146]]~~S REPORT:**

Jay Smith, Ernst & Young, presented the 1990 audit report for review and consideration. Following discussion, IT WAS ON MOTION BY WANDA BORDEN, SECONDED BY VERNON SCOTT AND PASSED UNANIMOUSLY TO APPROVE THE 1991 AUDIT REPORT AS PRESENTED. (EXHIBIT I)

A recess was called at 10:00 a.m. The meeting was called back to order at 10:15 a.m.

**WENDOVER LAND:**

The well is being drilled. Mr. Hope has not contacted us regarding the final plans.

**MICROWAVE CAPACITY:**

The contract for the excess capacity has not been received.

**REPORT ON MEMBER CONTACTS:**

Member contacts made were reported. A short discussion ensued regarding donations.

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

CFC interest rates and interest earned through January 1991 were reported.

A discussion was heard regarding REA [REDACTED]'s proposed Means Test which establishes methods of allocating insured loan funds and guarantees for rural electric cooperatives. It was noted that rural cooperatives are the least subsidized utilities. Following a thorough discussion, IT WAS ON MOTION BY ROBERT HARRIS, SECONDED BY S.J. SMITH AND PASSED UNANIMOUSLY TO DRAFT A STRONG RESOLUTION IN OPPOSITION OF THE REA MEANS TEST. This issue will also be addressed at the NREA meeting on March 26, 1991 at the Ormsby House in Carson City. (EXHIBIT II)

The study on the MUZAK agreement has not been completed.

Information was sent out to all directors on the BPA Customer meeting in Burley. A discussion ensued. After discussion and amendment, THE MOTION MADE BY DARYL ERIKSEN, SECONDED BY LARRY BRADSHAW AND PASSED UNANIMOUSLY WAS ADOPTED AS FOLLOWS: TO WRITE A LETTER SUPPORTING THE ACTIONS TAKEN BY JIM JURA, BPA ADMINISTRATOR, IN MOVING TOWARDS BPA REVENUE FINANCING, BUT STRESS THIS SHOULD BE DONE WITH A MINIMAL IMPACT ON RATES. (EXHIBIT III)

NWPPA courses which are jointly sponsored with NRECA are accredited courses.

Daryl Eriksen, Dan Kessler, and Paul Johnson attended a NENDA meeting on March 14. Daryl and Dan reported. A discussion was heard regarding a proposed agreement in which WREC would assist NENDA in economic development. There were no objections to WREC assisting NENDA. NENDA will have a presentation on March 19, 1991 at 3:00 p.m. at the Wells WREC office. A further update will be given during the April meeting.

Nevada Rural Electric Association has scheduled a meeting and legislative luncheon on Tuesday, March 26, 1991 at the Ormsby House in Carson City.

Dan gave an update on Bonneville Power Administration, Sierra Pacific Company, and Idaho Power Company joint efforts in providing more capacity.

Donations: A letter was received from Jim Copenhaver, attorney, regarding potential liabilities involved with donations. A discussion ensued.

A lunch recess was called at 11:30 a.m. The meeting was called back to order at 1:00 p.m.

#### GEORGE YAN, MAYOR, CITY OF WELLS:

George Yan, Mayor, City of Wells gave an update on direction that the City of Wells is taking in economic development. Mayor Yan addressed the goals the City has set and the steps taken to achieve those goals. Also addressed were improvements the City has accomplished as well as future improvements planned. Mayor Yan asked for support in the City [REDACTED]'s efforts.

#### Donations:

The lengthy discussion regarding Jim Copenhaver [REDACTED]'s opinion on liabilities involved with donations continued. An in-depth study on the ramifications to cooperatives was requested.

The Wells Rodeo Club requested a donation of labor and equipment to supply service to the rodeo grounds for night performances for the State High School Rodeo which they are hosting this year. After discussion and amendment, THE MOTION MADE BY JERRY PARKIN, SECONDED BY FERRIS BROUGH AND PASSED UNANIMOUSLY WAS APPROVED AS FOLLOWS: TO DONATE EQUIPMENT, MATERIALS AND EMPLOYEE VOLUNTEER LABOR (ON THEIR OWN TIME)

FOR UNDERGROUND SERVICE TO THE WELLS RODEO GROUNDS.

The Wells Community Theater has requested a donation in support of their theater. Following a discussion, IT WAS ON MOTION BY S.J. SMITH, SECONDED BY RAY CRAWFORD AND PASSED UNANIMOUSLY TO APPROVE A \$50.00 DONATION TO THE WELLS COMMUNITY THEATER.

The Wells Assembly of God Church has requested a donation to help people in need. Following a discussion, IT WAS ON MOTION BY LARRY BRADSHAW, SECONDED BY FERRIS BROUGH AND PASSED UNANIMOUSLY TO APPROVE A \$100.00 DONATION TO THE ASSEMBLY OF GOD CHURCH.

SCHOLARSHIPS:

A discussion ensued regarding the WREC Scholarship. Following a discussion, IT WAS ON MOTION BY DARYL ERIKSEN, SECONDED BY LOIS NANNINI AND PASSED UNANIMOUSLY TO APPROVE THREE \$2,000.00 SCHOLARSHIPS BEGINNING THIS YEAR AS PER POLICY 9-1.

MANAGER[[#146]]S REPORT CONTINUED:

WREC is one of two cooperatives (Carroll EMC) asked by NRECA to participate in a pilot program, Total Quality Management. A video was shown. Dan and Vernon Dalton reported. Bob Stix, past CEO of US Shoe Corporation and Greg Boudreaux of NRECA will give a presentation to the board in April.

Following a discussion, IT WAS ON MOTION BY VERNON SCOTT, SECONDED BY JERRY PARKIN AND PASSED UNANIMOUSLY TO APPROVE A SPECIAL BOARD MEETING APRIL 10, 1991 AT 9:00 A.M. IN THE BOARD ROOM OF THE WELLS OFFICE. A Waiver of Notice was signed by all board members.

A recess was called at 3:00 p.m. The meeting was called back to order at 3:15 p.m.

POWER SUPPLY:

The new format for the Power Supply Report was discussed.

BOARD COMMITTEE REPORTS:

Wanda Borden reported on behalf of the Financial Advisory Committee. Upon recommendation of the committee, IT WAS ON MOTION BY VERNON SCOTT, SECONDED BY WANDA BORDEN AND PASSED UNANIMOUSLY TO APPROVE THE 4<sup>TH</sup> QUARTER 1991 BUDGET WITH AUGMENTATIONS.

An Executive Session was called to discuss director expenses.

S.J. Smith reported on behalf of the Policy Committee. Upon recommendation of the committee, IT WAS ON MOTION BY S.J. SMITH, SECONDED BY JERRY PARKIN AND PASSED UNANIMOUSLY TO AMEND POLICY 7-2 III. K. 2 (military leave). (EXHIBIT IV)

Dan reported on the presentation of Policy 5-1.

Credit Unions:

Vernon Dalton reported on a meeting of the Consumer Federation of America. A discussion ensued regarding the feasibility of a credit union. More information was requested.

#### COLLECTION & ACCOUNT AGING REPORT:

A new format will be designed and available at the April meeting. A discussion ensued. Methods of collection were also addressed.

#### SAFETY MINUTES:

IT WAS ON MOTION BY LARRY BRADSHAW, SECONDED BY RAY CRAWFORD AND PASSED UNANIMOUSLY TO APPROVE THE SAFETY MINUTES.

#### ENGINEERING/OPERATIONS REPORT:

Joe Gustafson was hired as an electrician and reported to work March 4, 1991.

#### OUTAGE REPORT:

A new format will be designed and available at the April meeting.

#### HYDRO REPORT:

A discussion was held.

#### MEMBER SERVICES REPORT:

Dan and Paul attended the Job Fair/Career Days at the Elko Convention Center. Dan reported.

#### MEMBERSHIPS:

IT WAS ON MOTION BY VERNON SCOTT, SECONDED BY RAY CRAWFORD AND PASSED UNANIMOUSLY TO APPROVE 24 NEW MEMBERSHIPS: 1-WELLS, NEVADA; 16-CARLIN, NEVADA; 5-WENDOVER, NEVADA; AND 2-WENDOVER, UTAH.

As there was no further business to come before the board, the meeting was adjourned at 3:45 p.m.

**mPDF error:**