

HTML contains invalid UTF-8 character(s)**THE MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF
WELLS RURAL ELECTRIC COMPANY****May 17, 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 May 17, 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, Jerry Parkin, Vernon Scott and S.J. Smith. Lois Nannini was not present.

Staff members present were Daniel L. Kessler, Jr., General Manager; Clay Fitch, Manager, Finance/Administration; and Paul Johnson, Manager of Member Services. Also present was Diane Griswold, Executive Secretary. Warren Linnell, Manager, Engineering/Operations was not present.

APPROVAL OF MINUTES:

The minutes of the regular meeting of April 10, 1991 will stand approved as written.

ADDITIONS TO THE AGENDA:

It was noted that the presentations regarding cooperative credit unions were cancelled. They will be presented at the June board meeting.

WENDOVER LAND:

An update was given by Dan and a discussion ensued. The final set of plans was received from Bob Hope.

MICROWAVE CAPACITY:

A draft for the sale of excess microwave capacity was sent to Western Communications.

LEGISLATIVE CONFERENCE:

Reports were given by Vernon Dalton and Dan. Dalton also addressed changes in the REA program.

REPORT ON MEMBER CONTACTS:

Member contacts made and follow-ups were reported.

MANAGER[[#146]]S REPORT:

CFC update was given with interest rates and investments made reported.

RE Newsbriefs, NRECA briefs, BPA briefs were also addressed.

A donation request was received from NRECA asking all member systems to contribute \$200.00 to the

Cooperative of The Tri-State Plan assisting the Colorado Ute cooperatives in an advertising and public relations, etc. campaign to keep the cooperatives under co-op ownership. A discussion ensued. IT WAS ON MOTION BY VERNON SCOTT, SECONDED BY RAY CRAWFORD AND PASSED UNANIMOUSLY TO APPROVE THE DONATION OF \$200.00.

Dan reported on the regional mining workshop held in Winnemucca and his meeting with Bill Keepers, CEO of SPPCo., and Max Jones, his assistant. Paul reported on the mining workshop held in Elko.

Dan addressed the revision of our small claims collection procedure.

Paul updated the board on working with NENDA.

Dan gave an update on the REQUIP program we are participating in through NRECA. Dan also reported on the presentation on Internal Customer Training given to all employees by Greg Boudreaux and Bob Stix from NRECA in conjunction with the REQUIP program. Dan was asked to participate on a panel at the Manager[[#146]]s Conference. The topic will be Rural Electric Quality Improvement Program (REQUIP).

A list of members that have served on the Nominating Committee was reviewed. The following people were selected to serve on the committee: Ethel Scott, Viola Troyan, Bessie Winchell, and Lourinda Wines. Phyllis Eriksen and Betty Thorne were selected as alternates. IT WAS ON MOTION BY RAY CRAWFORD, SECONDED BY WANDA BORDEN AND PASSED UNANIMOUSLY TO APPROVE THE ABOVE PEOPLE TO SERVE ON THE NOMINATING COMMITTEE.

Due to conflicting schedules, IT WAS ON MOTION BY WANDA BORDEN, SECONDED BY VERNON SCOTT AND PASSED UNANIMOUSLY TO APPROVE CHANGING THE JUNE BOARD MEETING TO FRIDAY, JUNE 14.

A Financial Advisory Committee meeting was scheduled for Monday, June 10 at 9:00 a.m. to review the 1st quarter 1992 budget.

An update on the Barger situation was given.

A thorough discussion was held regarding Assembly Bills 567,572 and 655.

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

The BPA rate case has been approved. A 2 [[#189]]% increase is proposed to be passed on to preference customers. A handout was given to the board with the proposed BPA rate increase projections, assuming no increase in kWh sales to Newmont, on equity ratio (with additional revenue), Tier (with additional revenue), Percentage Increase Over Present Retail Rates Required, and Patronage Capital Retirements for the years 1990 thru 1994. A discussion ensued. Also discussion ensued regarding our policy on cash reserves.

A report was given by Dan on Newmont[[#146]]s capacity forecast through the year 2000. Discussed was the New Large Single Load limits. A meeting has been scheduled in June with BPA regarding Newmont capacity forecast.

Sierra Pacific Company has given their support for a transmission line out of Mid-Point. Dan reported.

A request was received from Vaughan, Hull, Copenhagen, Ltd. Bob has requested that he and Jim Copenhagen attend the Legal Seminar in Lake Tahoe, splitting the expenses with Mt. Wheeler. IT WAS

ON MOTION BY LARRY BRADSHAW, SECONDED BY ROBERT HARRIS AND PASSED UNANIMOUSLY TO APPROVE BOB VAUGHAN AND JIM COPENHAVER ATTENDING THE LEGAL SEMINAR AND SPLITTING THE EXPENSES WITH MT. WHEELER.

A position on the NWPPA board of directors has been opened. Following a discussion, IT WAS ON MOTION BY ROBERT HARRIS, SECONDED BY FERRIS BROUGH AND PASSED UNANIMOUSLY TO APPOINT DARYL ERIKSEN TO FILL THAT POSITION.

COOPERATIVE CREDIT UNION:

Bob Heguy could not attend this board meeting. He would like to reschedule for the June meeting. Also a gentleman from the Nevada Credit Union League will be attending. There were no objections.

Vernon Dalton and Dan reported on their meeting with Thomas John Martin, President of Consumer Cooperative Alliance Association, Inc. A discussion ensued.

A discussion ensued regarding a random survey of our members.

POWER SUPPLY REPORT:

The Power Supply Report was reviewed and discussed.

BOARD COMMITTEE REPORTS:

Larry Bradshaw reported on behalf of the Scholarship Committee. Nine applicants were reviewed for three scholarships. Deanna Miller (Carlin), Julie Smith (Ruby Valley), and Marc Chesmore (Wells) were selected as recipients for the scholarships. Three alternates were selected: Chris Ritz (Carlin) as first alternate; Glen Uhlig (Wells) as second alternate; and Lanette Hahne as third alternate. IT WAS ON MOTION BY DARYL ERIKSEN, SECONDED BY VERNON SCOTT AND PASSED UNANIMOUSLY TO APPROVE THE ABOVE SELECTIONS FOR THE SCHOLARSHIPS.

FINANCIAL SERVICES REPORT:

IT WAS ON MOTION BY S.J. SMITH, SECONDED BY ROBERT HARRIS AND PASSED UNANIMOUSLY TO APPROVE THE PURCHASE OF AN OVERHEAD PANEL FOR \$3,861.00.

Central Data Processing has provided us with a program that can analyze our capital credit files. This has allowed us to clean up a number of accounts. There are some accounts with errors remaining in which correction will require extensive research.

COLLECTION AND ACCOUNT AGING REPORT:

The Collection and Account Aging report was reviewed and discussed.

SAFETY MINUTES:

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

ENGINEERING/OPERATIONS REPORT:

The electrician, Joe Gustafson, has passed required Nevada licensing tests. We will received our

corporate license to do electrician work prior to June 1, 1991.

NEW MEMBERSHIPS:

IT WAS ON MOTION BY VERNON SCOTT, SECONDED BY ROBERT HARRIS AND PASSED UNANIMOUSLY TO APPROVE 24 NEW MEMBERSHIPS: 3-WELLS, NEVADA; 9-CARLIN, NEVADA; 5-WENDOVER, NEVADA; AND 7-WENDOVER, UTAH.

As there was no further business to come before the board, the meeting was adjourned at 12:15 p.m.

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