

**HTML contains invalid UTF-8 character(s)****THE MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF  
WELLS RURAL ELECTRIC COMPANY****DECEMBER 20, 1991**

The regular meeting of the Board of Directors of Wells Rural Electric Company was held in Wendover, Nevada in the Campbell room of the Stateline Hotel/Casino and called to order December 20, 1991, at 9:00 a.m. The meeting was presided over by President D. Vernon Dalton.

Directors present were Larry Bradshaw, Ferris Brough, D. Vernon Dalton, Daryl Eriksen, Robert Harris, Jerry Parkin, Vernon Scott, S. J. Smith and Mary A. Wright. Ray Crawford and Lois Nannini 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 November 8, 1991 will stand approved as written.

**ADDITIONS TO THE AGENDA:**

There were no additions to the agenda. It was noted that the following presentations were scheduled: Don Angell (POWER Engineers, Inc.) 9:15 a.m., Glenn Reese (Nevada Credit Union League) 10:00 a.m., and Tom Blankenship (BPA Boise District Manager) 1:00 p.m.

**DON ANGELL, POWER ENGINEERS, INC.:**

Don Angell handed out four proposed alternatives for transmission construction to bring the needed capacity into Northeastern Nevada (Midpoint-Valmy 345kV; SWIP (Southwest Intertie Project); Malin; and Pacific DC Intertie) and the Northern Nevada Area Joint Planning Study (BPA/IPPCO/SPPCO). He addressed advantages and disadvantages of each alternative. A discussion ensued.

**GLENN REESE, NEVADA CREDIT UNION LEAGUE:**

Glenn Reese of the Nevada Credit Union League went over the results of the random survey of members of Wells Rural Electric. A handout on the recap of the survey were handed out. (Mary Wright joined the meeting.) Following a thorough discussion, **IT WAS ON MOTION BY DARYL ERIKSEN, SECONDED BY S.J. SMITH AND PASSED UNANIMOUSLY TO PROCEED ESTABLISHING A CREDIT UNION FOR WREC MEMBERS.** It was noted that until the charter has been processed that the credit union will not be a legal entity.

A break was called. (Jerry Parkin left the meeting.) The meeting was called back to order.

Further discussion ensued regarding the time factors involved with the establishment of a credit union.

**WENDOVER LAND:**

No further information has been received. It was requested that attorneys ask for a response from Stateline regarding a decision for remediation.

#### MICROWAVE CAPACITY:

Carlin and Wendover have been linked with our Wells office. Both outer offices can be directly called. Warren gave a report on Federal Communication commission developments and the effects on WREC.

#### MEMBER CONTACTS:

Member contacts made were reported.

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

Letters were received from Bob Vaughan and Jim Copenhaver regarding Copenhaver leaving Vaughan, Hull, Copenhaver, Ltd. A discussion ensued. (Jerry Parkin came in.) Following the discussion, IT WAS ON MOTION BY MARY A. WRIGHT, SECONDED BY LARRY BRADSHAW AND PASSED UNANIMOUSLY TO RE-AFFIRM ROBERT O. VAUGHAN AS WREC[[#146]]S ATTORNEY. A letter will be sent to Jim Copenhaver thanking him for all his time, effort and the excellent work he has done for us in the past.

Dan reported on the meeting with Newmont regarding our future needs.

A request from NRTC was received asking for an extension of dues beyond the original five year period. Following a discussion, IT WAS ON MOTION BY S. J. SMITH, SECONDED BY ROBERT HARRIS AND PASSED UNANIMOUSLY TO APPROVE A RESOLUTION FOR AN ADDITIONAL FIVE YEARS.

A request was received from Utah Rural Electric Association to participate in a scholarship fund in memory of Alexis Earl (Grant Earl[[#146]]s, Moon Lake General Manager, daughter killed in a car accident). Following a discussion, IT WAS ON MOTION BY MARY A. WRIGHT, SECONDED BY JERRY PARKIN AND PASSED UNANIMOUSLY TO APPROVE DONATING \$500.00 TO THE ALEXIS EARL SCHOLARSHIP FUND.

NRECA[[#146]]s Annual Meeting is scheduled February 9-12 with pre-conference courses offered February 6-8. The meeting is to be held in Anaheim, California.

A letter was received from a member/owner regarding prepayment of an irrigation account and asking if interest could be paid on the prepaid amount. A discussion ensued. IT WAS ON MOTION BY JERRY PARKIN, SECONDED BY ROBERT HARRIS AND PASSED UNANIMOUSLY TO ALLOW PREPAYMENT ON ACCOUNT, WITH NO DISCOUNT, FOR ALL CLASSES OF SERVICE. This will be added to Rule 5, paragraph E.

The Barger suit was dismissed and all costs were covered by Federated Insurance Company.

A discussion was held on loans made to member/owners for electrician services.

A donation request received last month regarding a Pro-pack and heart rat/blood pressure monitor was brought before the board. Carlin and Wendover have these instruments. The Wells ambulance needs the equipment. More information was requested (How did Carlin and Wendover fund their equipment, etc.).

A donation request was received from the Wells Chariot Club. It was asked that WREC donate \$190.00 to purchase horse blankets (our name embroidered on the blankets) or use the funds towards the operation of the Wells Chariot Invitational. Following a discussion, IT WAS ON MOTION BY S.J. SMITH, SECONDED BY JERRY PARKIN AND PASSES UNANIMOUSLY TO APPROVE DONATING \$190.00 TO PURCHASE HORSE BLANKETS FOR THE WELLS CHARIOT INVITATIONAL.

Vernon Dalton reported on the NRECA board meeting. IT WAS ON MOTION BY DARYL ERIKSEN, SECONDED BY ROBERT HARRIS AND PASSED UNANIMOUSLY TO HAVE THE VOTING DELEGATE FOR NRECA VOTE IN FAVOR OF THE RESOLUTION REGARDING LOAN FUNDING.

A lunch recess was called at 12:00 p.m. The meeting was called back to order at 1:00 p.m. (Jerry Parkin was not present.)

#### UNION CONTRACT RATIFICATION:

Dan reported on the ratification of the union contract. (EXHIBIT) IT WAS ON MOTION BY LARRY BRADSHAW, SECONDED BY VERNON SCOTT AND PASSED UNANIMOUSLY TO ADOPT THE UNION CONTRACT AS PRESENTED.

Dan reported on the Wage & Salary Plan and asked the board to consider increasing the limits of plan, across the board, 1%. IT WAS ON MOTION BY VERNON SCOTT, SECONDED BY LARRY BRADSHAW AND PASSED UNANIMOUSLY TO APPROVE A 1% INCREASE OF THE WAGE & SALARY PLAN STRUCTURE AND A 5% INCREASE IN PAYROLL FOR 1992.

#### BOARD COMMITTEE REPORTS:

Larry Bradshaw reported on behalf of the Policy Committee. Upon committee recommendation, IT WAS ON MOTION BY LARRY BRADSHAW, SECONDED BY DARYL ERIKSEN AND PASSED UNANIMOUSLY TO APPROVE THE CHANGES TO POLICY 7-2. (EXHIBIT)

Larry Bradshaw reported on behalf of the Retirement and Insurance Committee. Upon committee and attorney recommendation, IT WAS ON MOTION BY LARRY BRADSHAW, SECONDED BY FERRIS BROUGH AND PASSED UNANIMOUSLY TO APPROVE FEDERATED INSURANCE COMPANY ~~[[#146]]~~'S BID OF \$84,192.00.

Larry Bradshaw reported on behalf of the Safety Committee. Upon committee recommendation, IT WAS ON MOTION BY LARRY BRADSHAW, SECONDED BY VERNON SCOTT AND PASSED UNANIMOUSLY TO APPROVE THE SAFETY COMMITTEE REPORT AND THE \$100.00 SAFETY AWARD PROGRAM, FOLLOWING THE SAME CRITERIA AS IN THE PAST.

A discussion ensued on the electrician services report.

IT WAS ON MOTION BY LARRY BRADSHAW, SECONDED BY VERNON SCOTT AND PASSED UNANIMOUSLY TO APPROVE THE TWO YEAR CONSTRUCTION WORK PLAN RESOLUTION. (EXHIBIT)

IT WAS ON MOTION BY LARRY BRADSHAW, SECONDED BY S.J. SMITH AND PASSED UNANIMOUSLY TO APPROVE THE POWER REQUIREMENTS STUDY RESOLUTION. (EXHIBIT)

Larry reported on behalf of the Financial Advisory Committee. Upon committee recommendation, IT

WAS ON MOTION BY LARRY BRADSHAW, SECONDED BY DARYL ERIKSEN AND APPROVED UNANIMOUSLY TO APPROVE 3<sup>RD</sup> QUARTER DIRECTOR EXPENSES.

IT WAS ON MOTION BY LARRY BRADSHAW, SEONCDED BY FERRIS BROUGH AND PASSED UNANIMOUSLY TO APPROVE PAYING NORTHWEST PUBLIC POWER ASSOCIATION DUES OF \$4,800.00.

IT WAS ON MOTION BY LARRY BRADSHAW, SECONDED BY ROBERT HARRIS AND PASSED UNANIMOUSLY TO APPROVE \$241,055.00 CAPITAL CREDIT REFUND.

IT WAS ON MOTION BY LARRY BRADSHAW, SEONCDED BY VERNON SCOTT AND PASSED UNANIMOUSLY TO APPROVE THE 1992 GPA BUDGET.

IT WAS ON MOTION BY LARRY BRADSHAW, SECONDED BY VERNON SCOTT AND PASSED UNANIMOUSLY TO APPROVE THE 3<sup>RD</sup> QUARTER 1992 BUDGET AS PRESENTED WITH AUGMENTATIONS.

#### FINANCIAL/ADMINISTRATIVE REPORT:

Three checks on our REA loan funds that need to be signed for deposit into our general fund will be presented to the board for signatures at the January board meeting.

#### COLLECTION & ACCOUNT AGING REPORT:

The 1991 Write-Off list was presented to the board for consideration. IT WAS ON MOTION BY LARRY BRADSHAW, SECONDED BY ROBERT HARRIS AND PASSED UNANIMOUSLY TO APPROVE WRITING OFF \$29,606.35 IN DELINQUENT ACCOUNTS.

#### SAFETY MINUTES:

IT WAS ON MOTION BY LARRY BRADSHAW, SECONDED BY VERNON SCOTT AND PASSED UNANIMOUSLY TO APPROVE THE SAFETY MINUES.

#### MEMBER SERVICES REPORT:

A resolution, Bonneville Power Administration Conservation Acquisition Program Contracts, was presented to the board. IT WAS ON MOTION BY LARRY BRADSHAW, SECONDED BY MARY A. WRIGHT AND PASSED UNANIMOUSLY TO APPROVE THE BONNEVILLE POWER ADMINISTRATION CONSERVATION ACQUISITION PROGRAM CONTRACTS RESOLUTION. (EXHIBIT)

Paul reported on the data base being developed for available economic development financing through grants and loans.

#### NEW MEMBERSHIP

IT WAS ON MOTION BY VERNON SCOTT, SECONDED BY FERRIS BROUGH AND PASSED UNANIMOUSLY TO APPROVE 18 NEW MEMBERSHIPS: 1-WELLS, NEVADA; 6-CARLIN, NEVADA; 4-WENDOVER, NEVADA; AND 7-WENDOVER, UTAH.

#### TOM BLANKENSHIP, BPA BOISE DISTRICT MANAGER:

Tom Blankenship reported on capacity needs in Northeastern Nevada and possible transmission alternatives to meet those needs, fish mitigation problems and the projected wholesale rate increase.

As there was no further business to come before the board, the meeting was adjourned at 3:00 p.m. (MST).

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