

HTML contains invalid UTF-8 character(s)**THE MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF
WELLS RURAL ELECTRIC COMPANY****APRIL 10, 1992**

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 April 10, 1992 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, Lois Nannini, Jerry Parkin, Vernon Scott, S.J. Smith, and Mary A. Wright.

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 March 10, 1992 will stand approved as written.

ADDITIONS TO THE AGENDA:

It was requested that Credit Union be moved ahead to follow Additions to the Agenda. It was also requested that reports be given by those attending the Directors Conference in March. There were no objections.

COOPERATIVE CREDIT UNION:

Glenn Reese, Nevada Credit Union League, addressed the wording for the proposed field of membership: "Serve the member/owners of Wells Rural Electric Company (WREC), employees of member/owners of WREC, organizations of such persons, employees of this credit union, members of their immediate family and retired annuitants from the above fields of employment." The proposed name of the credit union is Nevada Cooperative Credit Union. Par value of shares is \$100.00. A proposed budget was reviewed and discussed.

Two alternatives for the start-up of the cooperative credit union were addressed: voluntary basis or as a full operation **[[#151]]** a full-time manager with on part-time employee in Wells, a part-time employee in Carlin, and a part-time employee in Wendover. Carlin and Wendover offices would open approximately one month after the Wells office. These part-time positions would eventually grow into full-time positions.

It was recommended that WREC assist with the start-up costs of \$100,000.00. This would be an investment to be paid back, with interest, by the credit union in three to five years.

Five WREC directors attended the credit union training: Daryl Eriksen, Vernon Dalton, Lois Nannini, S.J. Smith and Mary A. Wright. It was suggested that the above five people make up the directors of the credit union and that all WREC directors and management staff sign the charter application. Two committees will need to be selected: Supervisory and Loan.

A thorough and lengthy discussion ensued. IT WAS ON MOTION BY JERRY PARKIN, SECONDED BY ROBERT HARRIS AND PASSED UNANIMOUSLY TO SUPPORT THE BOARD OF DIRECTORS AND THE CREDIT UNION.

The documentation for the charter, etc. was handed out for signatures. It was noted that Robert O. Vaughan, attorney, has reviewed all documents (Articles, etc.) and they are in compliance.

Following further discussion, IT WAS ON MOTION BY JERRY PARKIN, SECONDED BY ROBERT HARRIS AND PASSED UNANIMOUSLY FOR WELLS RURAL ELECTRIC COMPANY TO INVEST \$100,000.00 IN NEVADA COOPERATIVE CREDIT UNION TO BE REPAID BY THE CREDIT UNION, WITH INTEREST, WITHIN FIVE YEARS.

Additional training will be available for the credit union board members.

A break was called at 10:15 a.m. The meeting was called back to order at 10:30 a.m.

WENDOVER LAND:

Ted Thatcher of Delta Geo-Tech has sent a proposal to the Stateline, based on the initial site characterization study on the two former service station sites. Stateline has requested that WREC and Stateline split the cost of a site characterization study for about \$10,000.00 to \$12,000.00 to test the two sites on our property. Stateline stated that if fingers of gasoline were found on these sites they, Stateline, would accept all responsibility at all costs to clean up the property. The proposal is to drill eight holes (four at each site) at five foot intervals to a depth of 60 feet. Dan reported. Following a thorough discussion, IT WAS ON MOTION BY JERRY PARKIN, SECONDED BY MARY WRIGHT AND PASSED WITH NINE IN FAVOR AND ONE AGAINST, AS AMENDED, TO ACCEPT STATELINE [146]'S PROPOSAL TO PARTICIPATE IN A JOINT VENTURE TO PERFORM A SITE CHARACTERIZATION STUDY, DONE BY DELTA GEO-TECH, WITH THE STIPULATIONS THAT THERE BE IN PLACE A CAP OF \$12,000.00 FOR TOTAL COST OF THE STUDY AND THAT STATELINE BE RESPONSIBLE FOR ANY FURTHER COSTS IF FINGERS OF GASOLINE ARE FOUND AND CLEAN UP IS NECESSARY.

MEMBER CONTACTS:

Reports on member contacts made were reported. A discussion ensued regarding hiring practices and policy. Daryl Eriksen went on record as backing our hiring policy 100 percent.

A discussion ensued regarding getting information about the credit union out to the members.

Vernon Dalton reported on ACRE.

MANAGER [146]'S REPORT:

A report was given on the NENDA situation. A letter was sent in support of Debra Smith as Executive Director of NENDA.

Newmont transmission needs and requirements were addressed. POWER Engineers is ready to submit the determination for New Large Single Load.

We were contacted regarding buying 55 megawatts of power from geothermal wells 55 miles north of Elko. They were told to contact Rick Itami of Bonneville Power Administration.

Correspondence has been received from Newmont regarding amending their contract credits agreements into one agreement. They are pleased with the amended contract.

Legislative Conference in Washington DC schedules were reported.

The Scholarship Committee is scheduled to meet Monday, May 11, 1992 at the Wendover High School at 9:00 a.m. MDT. Wells and Carlin High Schools will be visited as well.

Bonneville Power Administration Customer meeting is scheduled in Burly, Idaho on April 29, 1992 at 10:00 a.m. until 2:00 p.m.

A donation request was received from Frank Moore. He has started a recycling center in Wells. He requested a donation of an upgrade from single phase to three phase. A discussion ensued. Management will take care of this.

The Wendover Medical Clinic is attempting to qualify with the National Rural Health Network (NRHN) for guidance and technical assistance through the Linking Health Care and Economic Development grant project. It was requested that the board show support of this project. Following discussion, IT WAS ON MOTION BY VERNON SCOTT, SECONDED BY ROBERT HARRIS AND PASSED UNANIMOUSLY TO APPROVE A RESOLUTION OF SUPPORT OF THIS PROJECT. (EXHIBIT)

A lunch recess was called at 12:15 p.m. The meeting was called back to order at 1:15 p.m. (Jerry Parkin did not attend the afternoon session.)

REPORTS ON DIRECTORS CONFERENCE:

Larry, Daryl and Vernon Dalton reported on the Directors Conference.

BOARD COMMITTEE REPORTS:

A Policy Committee Report was scheduled for Thursday, May 14 at 9:00 a.m.

FINANCIAL/ADMINISTRATIVE SERVICES:

Two interest bearing checking account signature cards and resolutions were presented to the board for consideration. They are Construction Fund Account for Consumer Advances and Patronage Capital account. Clay reported. Following a discussion, IT WAS ON MOTION BY VERNON SCOTT, SECONDED BY S.J. SMITH AND PASSED UNANIMOUSLY TO APPROVE THESE ACCOUNTS.

The REA Field Audit went well. The report is forthcoming.

Management is looking at CFC refinancing. A study is being done.

SAFETY MINUTES:

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

ENGINEERING/OPERATIONS REPORT:

Three line extension contracts were presented to the board for signatures: Insemat, Inc., Newmont Gold Company, and Restin Motel.

ELECTRICIAN SERVICES:

A report was handed out on electrician services. Warren reported. A thorough discussion ensued.

NEW MEMBERSHIPS:

IT WAS ON MOTION BY VERNON SCOTT, SECONDED BY ROBERT HARRIS AND PASSED UNANIMOUSLY TO APPROVE 29 NEW MEMBERSHIPS: 7-WELLS, NEVADA; 6-CARLIN, NEVADA; 10-WENDOVER, NEVADA; AND 6-WENDOVER, UTAH.

Following a discussion, IT WAS ON MOTION BY FERRIS BROUGH, SECONDED BY S.J. SMITH AND UNANIMOUSLY APPROVED TO APPOINT GERALD ANDERSON FROM WENDOVER AS DIRECTOR TO REPLACE RAY CRAWFORD.

As there was no further business to come before the board, the meeting adjourned at 3:10 p.m.

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