

HTML contains invalid UTF-8 character(s)**THE MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF
WELLS RURAL ELECTRIC COMPANY****JULY 17, 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 July 17, 1992 at 9:00 a.m. The meeting was presided over by President D. Vernon Dalton.

Directors present were Gerald Anderson, Larry Bradshaw, Ferris Brough, D. Vernon Dalton, Daryl Eriksen, Lois Nannini, Jerry Parkin, Vernon Scott, and Mary A. Wright. Robert Harris and S.J. Smith were not present.

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

APPROVAL OF MINUTES:

The minutes of the regular meeting of June 19, 1992 will stand approved as corrected. Ray Crawford was listed as attending the meeting, his name will be stricken from the minutes.

ADDITIONS TO THE AGENDA:

An Executive Session was asked to added regarding legal council and the NRECA Mint Plan. There were no objections. The Nominating Committee Report was asked to be added with Chairman Carrie Fitch addressing the board. There were no objections. It was noted that Don Angell from POWER Engineers, Inc. will address the board about 9:30 a.m. and Dave Harper from PNGC will address the board about 11:00 a.m.

NOMINATING COMMITTEE REPORT:

Chairman Carrie gave the Nominating Committee Report. (EXHIBIT) The following members were nominated for the Directors Election: Daryl Eriksen, Ferris Brough, Vernon Scott, Jerry Parkin, and Kenneth Johns. IT WAS ON MOTION BY LARRY BRADSHAW, SECONDED BY JERRY PARKIN AND PASSED UNANIMOUSLY TO APPROVE THE NOMINATING COMMITTEE REPORT.

DON ANGELL, POWER ENGINEERS INC.:

Dan gave a report on the June 30 BPA meeting. BPA has stated that will have an answer on our transmission needs.

Don Angell addressed four issues: Transmission System Update~~[[#151]]~~SWIP, BPA, and SPPCO; Carlin Area 120kV Facilities~~[[#151]]~~SPPCO Proposed Upgrades; BPA/SPPCO Contract Progress~~[[#151]]~~Short-Term, Long-Term and Facility Guarantees; and Newmont Gold NLSL Determination~~[[#151]]~~Normalization (Refractory Ore Plant), Dewatering (Mine Pit), and Oxygen Plant. A discussion ensued.

A recess was called at 10:30 a.m. The meeting was called back to order at 10:45 a.m.

DAVE HARPER, PNGC:

An Executive Session was called to discuss PNGC serving Notice of Intent to Sue several government agencies. Mr. Harper asked that WREC join as full PNGC member. A discussion ensued.

A lunch recess was called at 12:15 p.m. The meeting was called back to order at 1:15 p.m.

WENDOVER LAND:

A response from Union Pacific Railroad has not been received regarding Bob Vaughan[[#146]]s letter.

Dan has not been able to contact Ted Thatcher of Delta Geo-Tech.

MEMBER CONTACTS:

Member contacts made and their follow-ups were reported.

MANAGER[[#146]]S REPORT:

CFC interest rates, interest earned, and investments made were reported.

A report was given on the BPA Program in Perspective meeting. The issues addressed in BPA [[#146]]s Ten Year Plan were Fish & Wildlife; Resource Programs; Financial Plan; O & M Plan; and Transmission Plan. BPA [[#146]]s proposed rate increase was discussed.

Newmont Mine will be contacted to see if a tour can be set up for September 9.

Dan reported on our Drug Testing Rehabilitation program.

A donation request was received from the mayors of Wendover Utah and Wendover Nevada asking for a monetary contribution for the Wendover Air Show. The funds will be used to sponsor the air show and any profit generated will go into the Airport Fund for matching FAA contributions for the redevelopment of the airbase. Following a discussion, IT WAS ON MOTION BY DARYL ERIKSEN, SECONDED BY MARY A. WRIGHT AND PASSED UNANIMOUSLY TO DONATE \$500.00 TO THE WENDOVER AIR SHOW.

Geoff Smith of NRECA has asked WREC to make REQUIP presentations to the three Directors Update programs scheduled in September in Las Vegas, November in Minneapolis and December in Nashville. Dan reported. NRECA will pay expenses for Dan and two employees to attend each Director Update. A discussion ensued. There were no objections to our participation and taking two or three more employees, at WREC [[#146]]s expense, as an award for participating in REQUIP.

The Region IX Meeting has been moved to the Marriott Hotel & Marina in San Diego. The Meeting is scheduled for October 28-30.

It was noted that NRECA has dropped its endorsement of Reliance Insurance. Vernon Dalton reported.

COOPERATIVE CREDIT UNION:

A response has not been received from Glen Reese regarding the status of our filing for a State Charter.

FINANCIAL/ADMINISTRATIVE SERVICES REPORT:

Dan and Clay presented and reported on the 10 Year Financial Forecast. Following a discussion, IT WAS ON MOTION BY VERNON SCOTT, SECONDED BY FERRIS BROUGH AND PASSED UNANIMOUSLY TO APPROVE THE 10 YEAR FINANCIAL FORECAST AND ACCOMPANYING RESOLUTION.

REA Form 740c was reported and handed to President Dalton for signature.

Several resolution and certifications for the REA loan package were brought before the board for consideration and approval.

IT WAS ON MOTION BY MARY A. WRIGHT, SECONDED BY JERRY PARKIN AND PASS UNANIMOUSLY TO APPROVE A RESOLUTION ASSURANCES REQUIRED BY 49 CFR. 4 (A).

IT WAS ON MOTION BY VERNON SCOTT, SECONDED BY LARRY BRADSHAW AND PASSED UNANIMOUSLY TO APPROVE CERTIFICATION REGARDING DISBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS[**[[#151]]**PRIMARY COVERED TRANSACTIONS.

IT WAS ON MOTION BY LARRY BRADSHAW, SECONDED BY JERRY PARKIN AND PASSED UNANIMOUSLY TO APPROVE A RESOLUTION FEDERAL COLLECTION POLICIES FOR COMMERCIAL DEBT.

IT WAS ON MOTION BY FERRIS BROUGH, SECONDED BY JERRY PARKIN AND PASSED UNANIMOUSLY TO APPROVE CERTIFICATION OF GRANTS, LOANS, AND COOPERATIVE AGREEMENTS.

IT WAS ON MOTION BY MARY A. WRIGHT, SECONDED BY DARYL ERIKSEN AND PASSED UNANIMOUSLY T APPROVE RESOLUTION REQUESTING CONCURRENT FINANCING.

Four checks were presented to President Dalton for signature to transfer funds from the Construction Fund to reimburse our General Fund.

A resolution approving application to CoBank for a short-term line of credit was brought before the board. IT WAS ON MOTION BY VERNON SCOTT, SECONDED BY FERRIS BROUGH AND PASSED UNANIMOUSLY TO APPROVE A RESOLUTION FOR APPLICATION TO COBANK FOR \$1.5 MILLION SHORT-TERM LINE OF CREDIT.

SAFETY MINUTES:

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

ENGINEERING/OPERATIONS REPORT:

Several Line Extension and Construction contracts were brought before President Dalton for signature.

Approval for authorization of the General Manager to sign Line Extension contracts up to \$25,000.00 and sign Construction contracts up to \$100,000.00 was requested. Following a discussion, IT WAS ON MOTION BY MARY A. WRIGHT, SECONDED BY VERNON SCOTT AND PASSED UNANIMOUSLY TO APPROVE THE ABOVE REQUEST.

NEW MEMBERSHIPS:

IT WAS ON MOTION BY VERNON SCOTT, SECONDED BY FERRIS BROUGH AND PASSED UNANIMOUSLY TO APPROVE 50 NEW MEMBERSHIPS: 5-WELLS, NV; 11-CARLIN, NV; 18-WENDOVER, NV; AND 16-WENDOVER, UT.

An Executive Session was called.

Following Executive Session, IT WAS ON MOTION BY JERRY PARKIN, SECONDED BY LARRY BRADSHAW AND PASSED UNANIMOUSLY TO APPROVE THE GENERAL MANAGER[[#146]]S WITHDRAWAL FROM THE 1989 NRECEA MINT PLAN AND DIVIDING THE FUNDS (\$6,594.26) EQUALLY BETWEEN THE GENERAL MANAGER[[#146]]S COMPENSATION AND THE COMPANY.

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

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