

HTML contains invalid UTF-8 character(s)**THE MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF
WELLS RURAL ELECTRIC COMPANY****DECEMBER 17, 1993**

The regular meeting of the Board of Directors of Wells Rural Electric Company was held in Wendover, Nevada in the 2nd floor meeting room of the Nevada Crossing and called to order at 10:00 a.m., MST. The meeting was presided over by President D. Vernon Dalton.

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

Staff members present were Daniel L. Kessler, Jr., General Manager; Clay R. 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 19, 1993 will stand approved as written.

ADDITIONS TO THE AGENDA:

Bob Vaughan will be here at 1:00 p.m. to address the Articles of Incorporation and Nevada Cooperative Credit Union. It was asked that Board Committee Reports be moved up on the agenda to follow Additions to the Agenda. There were no objections.

BOARD COMMITTEE REPORTS:

Robert Harris reported on the Financial Committee meeting of December 10, 1993. Upon committee recommendation, IT WAS ON MOTION BY DARYL ERIKSEN, SECONDED BY LARRY BRADSAHW AND APPROVED UNANIMOUSLY TO APPROVE THE GENERAL PLANT ACQUISITION BUDGET, WITH APPROVAL TO PURCHASE AN IMPEDANCE READER IF IT CAN BE PURCHASED FOR LESS THAN ORIGINALLY STATED, AND THE 3RD QUARTER 1994 BUDGET.

A discussion ensued regarding the new Flexible Budget Format.

Clay reported on the only insurance bid received, which was from Federated Insurance. Following discussion and upon committee recommendation, IT WAS ON MOTION BY ROBERT HARRIS, SECONDED BY GERALD ANDERSON AND PASSED UNANIMOUSLY TO APPROVE FEDERATED INSURANCE[[#146]]S BID OF \$90,918.00. It was noted that a \$17,000.00 discount on the premium was received for our safety accreditation.

Larry reported on behalf of the Safety Committee. Upon committee recommendation, IT WAS ON MOTION BY ROBERT HARRIS, SECONDED BY FERRIS BROUGHT TO APPROVE THE \$100.00 SAFETY AWARD FOR EMPLOYEES WITH THE STIPULATIONS BEING THE SAME AS IN THE PAST.

WENDOVER LAND:

Dan reported. Robert Hill, attorney, suggests letting Stateline get the contract for drilling on our site because Stateline wants more drilling done than we require. A discussion ensued.

MEMBER CONTACTS:

A discussion ensued regarding solar generation for stock water pumps and Sierra Pacific[[#146]]s solar generation program. Information on their solar generation program will be forthcoming. It will be looked into further.

MANAGER[[#146]]S REPORT:

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

It was noted that Wally Beyer was appointed as the REA Administrator.

Vernon Dalton reported on the NRECA winter board meeting. Glen English, Congressman from Oklahoma, was appointed as the NRECA General Manager, Executive Vice President. He will take office in March 1994. Also addressed were new NRECA programs and strategic plan.

Paul Johnson, Public Power Council Conservation committee member, addressed conservation issues of the BPA marketing plan.

The principal of Wendover High School has requested a support for their Renaissance program. Dan reported. Following a discussion, IT WAS ON MOTION BY S.J. SMITH, SECONDED BY ROBERT HARRIS AND PASSED UNANIMOUSLY TO PARTICIPATE IN LEVEL 3 OF THE PROGRAM AND THE GENERAL MANAGER TO USE HIS DISCRETION ON THE AMOUNT.

Dan gave an update on the Newmont Consolidated Agreement and General Transfer Agreements. Progress has been slowed due to the cost sharing (Newmont, Barrick, SPPCO) of the Carlin trend area improvements.

The NRECA Annual Meeting is scheduled for February 6-9, 1994 in New Orleans. Pre-conference courses are available.

NEVADA COOPERATIVE CREDIT UNION:

The upgrade to the building on Lake Street has been completed. The doors are to open on January 15, 1994.

FINANCIAL/ADMINISTRATIVE REPORT:

A discussion ensued regarding cycle billing and discounting the possibility of allowing a discount for early payment of power bills.

SAFETY MINUTES:

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

ENGINEERING/OPERATIONS REPORT:

Warren reported on Salmon River Cattle Association[[#146]]s 4 [[#189]] miles of line being upgraded to meet National Safety Code requirements. A discussion ensued.

ELECTRICIAN REPORT:

Warren reported on the department[[#146]]s commitment to quality service and excellence. A discussion ensued. A financial report was also given. Staff was commended for their approach in handling and correcting a difficult situation.

MEMBER SERVICES REPORT:

Brought before the board were the amendment of the Articles of Incorporation and the status of the consent of the members to the amendments passed by the board of directors at its regular meeting of October 15, 1993. Paul Johnson, Manager of Member Services, had handled the program seeking the consent of the members to the amendments. He presented a report which disclosed that written consents had been timely received from a majority of the members of the corporation, and that therefore, the amendments to the Articles of Incorporation were duly adopted. After due consideration, ON MOTION MADE BY GERALD ANDERSON, SECONDED BY ROBERT HARRIS, IT WAS UNANIMOUSLY:

RESOLVED: That the report of the Manager of Member Services is approved, and that a copy of the report be appended to the minutes of this meeting:

BE IT FURTHER RESOLVED: That the individual written consents of the members to the amendments of the Articles of Incorporation be filed with the minutes of the proceedings of the members; and

BE IT FURTHER RESOLVED: That a copy of the material mailed out to the members seeking their consent, including a copy of the form of the consent, be appended to the minutes of this meeting. (EXHIBIT)

Staff was commended for a job well done.

NEW MEMBERSHIPS:

IT WAS ON MOTION BY ROBERT HARRIS, SECONDED BY LARRY BRADSHAW AND PASSED UNANIMOUSLY TO APPROVE 14 NEW MEMBERSHIPS: 3-WELLS, NV; 1-CARLIN, NV; 3-WENDOVER, NV; AND 7-WENDOVER, UT.

A discussion ensued regarding mandatory director education for all cooperatives.

A discussion ensued regarding elder care. Dan reported.

A lunch recess was called at 12:30 p.m. The meeting was called back to order at 1:45 p.m.

BOB VAUGHAN:

Mr. Vaughan discussed the cooperative[[#146]]s beginning and the controversy involved.

As there was no further business to come before the board, the meeting adjourned at 2:00 p.m.

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