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**MINUTES OF THE REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS OF
WELLS RURAL ELECTRIC COMPANY**

March 22, 1995

The regular meeting of the Board of Directors of Wells Rural Electric Company was held in Wells, Nevada in the boardroom of the Wells office and called to order March 22, 1995 at 9:00 am. The meeting was presided over by President D. Vernon Dalton.

Directors present were: Gerald Anderson, Ferris T. Brough, D. Vernon Dalton, Daryl Eriksen, Orlin Kidner, Lois Nannini, Jerry Parkin, Vernon Scott, S. J. Smith and Mary Wright. Robert Harris was absent.

Staff members present were Daniel L. Kessler, Jr., General Manager; Clay R. Fitch, Manager of Finance/Administration and Warren Linnell, Manager of Engineering/Operation. Also present were Don McDonald and Tommi Reynolds, Member Services Representatives; Diane Griswold, Executive Secretary.

APPROVAL OF MINUTES:

The minutes of the regular meeting of February 17, 1995 will stand approved as written.

AGENDA ADDITIONS:

There were no additions.

1994 FINANCIAL AUDIT:

Ron Aoki of Ernst & Young gave the 1994 Financial Audit. A draft copy of the audit was handed out and reviewed. Following a thorough review and discussion, IT WAS ON MOTION BY VERNON SCOTT, SECONDED BY JERRY PARKIN AND PASSED UNANIMOUSLY TO APPROVE THE 1994 FINANCIAL AUDIT AS PRESENTED.

WENDOVER LAND:

The bid opening for construction of the Wendover building will be held during the April 21, 1995 board meeting at 11:00 am. Mr. Robert Hope, architect, will be attending the meeting. Dan requested that Mr. Hope contact the contractor who was awarded the bid for the Elko County High School building in Wendover.

REPORT ON MEMBER CONTACTS:

Member contacts made and follow-ups were reported. Also, a letter received from a member/owner was read and discussed.

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

Dan briefly touched on CFC Briefs (with Economic Update), NRECA Briefs (with Legislative Update), RE Briefs, BPA Briefs and CoBank Briefs as stated in the agenda. CFC interest rates, investments made

and interest earned were reported.

Reports were given by those attending the NRECA Annual Meeting held in Orlando, Florida. Survivability of rural electric cooperatives through diversification was stressed.

A discussion ensued about water/wastewater systems and rural electric cooperatives possible involvement. It was noted that Mr. Rob Church, who was our consultant from NRECA on the water/wastewater study, as well as the Integrated Resource Plan, has resigned from NRECA. Mr. Matt Hastings has been assigned the project. These projects have been set back about one month. Dan reported. The board requested that management set up a meeting with a couple of people working with water/wastewater systems.

A board and management meeting was scheduled for Wednesday, April 5, 1995 at 9:00 am for a strategic planning session.

Exhibit L. of WREC/BPA Power Sales contract was given to President Dalton for signature. Dan reported. IT WAS ON MOTION BY ORLIN KIDNER, SECONDED BY JERRY PARKIN AND PASSED UNANIMOUSLY TO APPROVE PRESIDENT DALTON SIGNING THE EXHIBIT L DOCUMENT.

Bonneville is offering their customers a one-year extension with a four percent surcharge on demand and energy rates. This surcharge becomes effective October 1995 through October 1996. Informal hearings will be held this summer on contract negotiations and rate structures that will become effective in October 1996. Dan reported.

The NRECA Legislative Conference is scheduled for May 1, 1995 in Washington, DC. NREA will again be sponsoring a breakfast at the Hyatt Regency on Capitol Hill at 7:00 am on Monday, May 1. Legislator meetings have been scheduled for Tuesday, May 2.

A number of reports were handed out to the board for their review: compliance issues, microwave capacity, communication[[#146]]s plan, conservation programs, etc.

The moratorium on employer contributions to NRECA[[#146]]s retirement and security program will resume after April 1995. Dan reported.

NREA[[#146]]s and WREC[[#146]]s position on retail wheeling is that an interim study needs to be completed and key issues identified before any law is enacted. Dan reported.

Dan reported on the NREA sponsored Legislative Gathering held in Carson City on Tuesday, March 7, 1995.

Vandalism on Raft River[[#146]]s 138kVline occurred. This vandalism directly affects WREC. Following a discussion, IT WAS ON MOTION BY DARYL ERIKSEN, SECONDED BY JERRY PARKIN AND PASSED UNANIMOUSLY TO APPROVE SHARING THE COST WITH RAFT RIVER OF A REWARD TO APPREHEND THE VANDAL(S).

Several donation requests were received:

The American Legion Unit 40 Auxiliary has requested \$210.00 to help in defraying the cost of sending a Wendover girl to Girls State. IT WAS ON MOTION BY VERNON SCOTT, SECONDED BY S.J. SMITH AND PASSED UNANIMOUSLY TO APPROVE THE \$210.00 DONATION.

A letter was received from Glenn English, Vice-President/General Manger of NRECA asking continued support of 10~~[[#162]]~~per meter to the Pro-Electricity Campaign. IT WAS ON MOTION BY S.J. SMITH, SECONDED BY JERRY PARKIN AND PASSED UNANIMOUSLY TO APPROVE THE \$468.50 DONATION TO THE PRO-ELECTRICITY CAMPAIGN.

The Nevada Civic Club has requested support to their golf tournament to be held at the Ruby View Golf Course in Elko. Sponsorship of a hole is \$100.00. IT WAS ON MOTION BY DARYL ERIKSEN, SECONDED BY JERRY PARKIN AND PASSED UNANIMOUSLY TO HAVE THIS REQUEST COME UNDER THE MANAGER~~[[#146]]~~S DONATION LIMIT.

Trout Unlimited of Northeastern Nevada has requested support of their efforts through the purchasing of a table for eight (\$100.00) at their dinner. IT WAS ON MOTION MARY WRIGHT, SECONDED BY VERNON SCOTT AND PASSED UNANIMOUSLY TO RECEIVE THIS REQUEST AS INFORMATION.

The Next \$ Foundation trustees met Tuesday, March 21, 12995. Dan reported. There were no objections to a joint meeting of the Foundation trustees and WREC board members scheduled for April 18, 1995.

The January Form 7 was handed out for review and discussion.

NEVADA COOPERATIVE CREDIT UNION:

A report was given by Mary Wright. Since the Carlin office opening, seventy-0nine more members have joined. Mary stressed the importance of WREC board involvement in getting more memberships. Following a discussion, it was the consensus of the WREC board to send a letter inviting all WREC members to join in the credit union, stressing that it is their credit union and the support this organization can generate in each community and surrounding areas.

A letter of agreement between the Nevada Cooperative Credit Union and Wells Rural Electric Company has been signed. Dan reported.

BOARD COMMITTEE REPORTS:

A Financial Advisory Committee meeting was scheduled following the Next \$ Foundation trustee/WREC board members~~[[#146]]~~ meeting on April 18, 1995.

POWER SUPPLY:

A new system peak was reached in January of 87.77 megawatts.

SAFETY MINUTES:

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

A discussion ensued on the Ruralite Magazine and its articles.

HYDRO REPORT:

Warren reported on the permanent retrofit of the surge tank.

MEMBER SERVICES REPORT:

A report was given on the ACRE membership.

The Scholarship Committee scheduled interviews for Thursday, May 11, 1995. The committee interviews students from area high schools for scholarships.

NEW MEMBERSHIPS:

IT WAS ON MOTION BY VERNON SCOTT, SECONDED BY JERRY PARKIN AND PASSED UNANIMOUSLY TO APPROVE 37 NEW MEMBERSHIPS: 6-WELLS, 18-CARLIN, 4-WENDOVER, NV AND 9~~[[#150]]~~WENDOVER, UT.

As there was no further business to come before the board, the meeting adjourned at 12:30 pm.

D. Vernon Dalton, President

Lois Nannini, Secretary

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