

**HTML contains invalid UTF-8 character(s)****MINUTES OF THE REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS OF  
WELLS RURAL ELECTRIC COMPANY****March 21, 1997**

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 21, 1997 at 9:00 am. The meeting was presided over by President D. Vernon Dalton.

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

Staff members present were Daniel L. Kessler, Jr., General Manager; Clay R. Fitch, Manager of Finance/Administration; Warren Linnell, Manager of Engineering/Operations; and Jim Su[[#146]]euga, Manager of Customer Services. Also present was Diane Moore, Executive Secretary.

**APPROVAL OF MINUTES:**

The minutes of the regular meeting of February 21, 1997 were approved as written.

**ADDITIONS TO AGENDA:**

It was asked that under the Manager[[#146]]s Report a discussion on Policy 1-9 Scholarship be added. There were no objections.

**AUDITORS REPORT:**

Ron Aoki of Ernst & Young presented the 1996 audit. After a thorough discussion, IT WAS ON MOTION BY ROBERT HARRIS, SECONDED BY JERRY PARKING AND PASSED UNANIMOUSLY TO APPROVE THE DRAFT 1996 AUDIT WITH RECOMMENDED CHANGES. A final copy of the audit will be mailed for signatures.

The meeting was recessed at 9:25 am to call the Quantum Resources, Inc. board meeting to order. The meeting was called back to order at 10:56 am.

**EXECUTIVE SESSION:**

An executive session was called.

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

The Greater Nevada Credit Union has been billed for donations to date (3 Qtrs.) as per the Agreement for \$16,080.00. Dan reported.

NENDA has requested continued membership in their organization. In the past few years a membership fee of \$3,000.00 per year has been approved. The last year, the membership was co-sponsored with GNCU. A discussion ensued. IT WAS ON MOTION BE S. J. SMITH, SECONDED BY LOIS NANNINI AND PASSED UNANIMOUSLY TO APPROVE THE \$3,000.00 DONATION CO-SPONSORED WITH GNCU. IT WAS STIPULATED THAT THE DIFFERENCE BETWEEN THE

YEARLY AMOUNT AS PER THE AGREEMENT WITH GNCU AND THE NENDA MEMBERSHIP BE DONATED TO THE NEXT DOLLAR FOUNDATION.

Changes to the Scholarship Policy 1-9 was brought before the board for consideration. (EXHIBIT) changes to II. B. add criteria e vocation and trade school attendance **[[#150]]** 24 points; delete III. E. wording and reword to state: Scholarship must be used for tuition expenses first. Should a balance occur after tuition has been paid, this excess money may be used by the student for fees, books, or lodging, in that order, not to exceed total payment of \$1,000.00 per semester or quarter. IV. 8 add Recipient must notify WREC twice per year **[[#150]]** by January 1 and September 1 **[[#150]]** regarding plans and satisfactory progress and to request funds. Failure to make these contacts will constitute default by the recipient.

IT WAS ON MOTION BY S.J. SMITH, SECONDED BY MARY A. WRIGHT AND PASSED UNANIMOUSLY TO APPROVE THE ABOVE CHANGES AND REFER THE FURTHER DISCUSSED CHANGES TO THE POLICY COMMITTEE FOR CONSIDERATION.

#### POWER SUPPLY REPORT:

Don Angell reported on the following power supply issues: NGC meeting discussing our Cost of Service Study, BPA rate schedule for NGC, NGC billing method and cost of accounting/allocation, NGC contract credits history. NGC new rate effective April 1. 1997, BPA **[[#146]]**s future subscription process and NGC **[[#146]]**s participation; federal and Northwest power issues. Also discussed was the need to further educate large industrial/commercial customers in the power supply area.

The meeting recessed at 12:35 pm and was called back to order at 1:40 pm.

Clay brought before the board resolutions to convert our short-term loan with CFC to long-term. The following resolutions were brought before the board for consideration. (EXHIBITS).

Certificate of Resolution of Incumbency **[[#150]]** IT WAS ON MOTION BY VERNON SCOTT, SECONDED BY ROBERT HARRIS AND PASSED UNANIMOUSLY TO APPROVE THIS RESOLUTION.

Certificate certifying a true and correct copy of the minutes **[[#150]]** IT WAS ON MOTION BY ORLIN KIDNER, SECONDED BY GERALD ANDERSON AND PASSED UNANIMOUSLY TO APPROVE THE CERTIFIED COPY OF THE MINUTES.

#### SAFETY MINUTES:

IT WAS ON MOTION BY JERRY PARKIN, SECONDED BY JERRY PARKIN AND PASSED UNANIMOUSLY TO APPROVE THE SAFETY MINUTES. It was noted that WREC passed NRECA **[[#146]]**s safety accreditation program with 94 out of 100 points. This is the highest a cooperative has passed the accreditation process. Don McDonald and employees were commended for the excellent record.

#### NEW MEMBERSHIPS:

IT WAS ON MOTION BY VERNON SCOTT, SECONDED BY ORLIN KIDNER AND PASSED UNANIMOUSLY TO APPROVE 54 NEW MEMBERSHIPS: 11- WELLS, NV; 13 - CARLIN, NV; 19 - WENDOVER, NV; AND 11 - WENDOVER, UT.

The following informational items were discussed: UMS will give an update on the

Benchmarking/PACE program during the April 17<sup>th</sup> meeting. They will meet with staff on the 16<sup>th</sup>.

The strategic planning process is on schedule and working very well. A full report was given during last month[[#146]]s meeting.

Those attending the NRECA Annual Meeting in Las Vegas reported.

It was asked that during the next board meeting a discussion be held on director expense accounts. There were no objections.

Jim Su[[#146]]uega handed the educational (K-12) portion of the marketing plan. A discussion ensued.

As there was no further business to come before the board, the meeting adjourned at 3:25 am.

D. Vernon Dalton, President Lois Nannini, Secretary/Treasurer

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