

HTML contains invalid UTF-8 character(s)**MINUTES OF THE REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS OF
WELLS RURAL ELECTRIC COMPANY****August 21, 1998**

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 Friday, August 21, 1998 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 A. Wright.

Staff members present were: Daniel L. Kessler, Jr., Chief Executive Officer; Clay R. Fitch, Chief Financial Officer, and Jim Su[[#146]]euga, Mgr. Marketing/Customer Services. Also present was Amanda Bourne, Executive Secretary and Don Angell, Engineering Consultant.

ACTION ITEMS:**APPROVAL OF MINUTES:**

The minutes of the regular meeting of July 17, 1998 were approved as corrected, to include two resolutions for the Master Surety Agreements (one with Allied Mutual Insurance Company and one with United States Fidelity and Guaranty Company).

ADDITIONS TO AGENDA:

There were no additions to the agenda.

SAFETY FIRST VERSE:

The Heat is On! - Keep in mind that heat affects everyone, using precautions and some common sense can prevent you from becoming a victim of heat related illnesses. To prevent heat illness, wear sensible clothing, drink plenty of fluid and try to avoid heavy work during the hottest part of the day.

EXECUTIVE SESSION:

An executive session was held.

MANAGER[[#146]]S REPORT:

Purchase of 4-H Beef [[#150]] IT WAS ON MOTION BY DIRECTOR MARY WRIGHT, SECONDED BY DIRECTOR JERRY PARKIN AND PASSED UNANIMOUSLY TO PURCHASE A 4-H BEEF AT THE ELKO COUNTY FAIR.

CRC/CFC Guarantee Agreement [[#150]] An agreement with Cooperative Finance Corporation (CFC) was discussed. The agreement is a \$10,000 guarantee for Cooperative Response Corporation (CRC). IT WAS ON MOTION BY DIRECTOR GERALD ANDERSON, SECONDED BY

DIRECTOR PAUL NEFF AND PASSED UNANIMOUSLY TO APPROVE A \$10,000.00 GUARANTEE WITH CFC FOR CRC.

Region IX Meeting **[[#150]]** The board was reminded of this year**[[#146]]**s Region IX meeting to be held September 21st -24th in Boise, Idaho. The following board members were chosen as voting delegates for the NRECA/Region IX and CFC Annual meeting respectively: Daryl Eriksen, with Robert Harris as alternate; Robert Harris, with Daryl Eriksen as alternate.

Strategic Plan **[[#150]]** It was agreed to postpone the Strategic Plan until the September board meeting.

Changes to Wells REC Policy **[[#150]]** After reviewing the minor changes to the policy, IT WAS ON MOTION BY DIRECTOR GERALD ANDERSON, SECONDED BY DIRECTOR MARY WRIGHT AND PASSED UNANIMOUSLY TO APPROVE THE PROPOSED POLICY CHANGES. (attached to minutes)

Changes to Wells Rules and Regulations **[[#150]]** Following a discussion on the proposed changes to the Rules and Regulations, IT WAS ON MOTION BY DIRECTOR VERNON SCOTT, SECONDED BY DIRECTOR ROBERT HARRIS AND PASSED UNANIMOUSLY TO APPROVE THE PROPOSED RULES AND REGULATIONS CHANGES. (attached to minutes)

1998 Board of Director Ballots **[[#150]]** The board reviewed the ballots for the 1998 board election. IT WAS ON MOTION BY DIRECTOR MARY WRIGHT, SECONDED BY DIRECTOR JERRY PARKIN AND PASSED UNANIMOUSLY TO APPROVE THE 1998 BOARD ELECTION BALLOT.

SAFETY MINUTES:

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

NEW MEMBERSHIPS:

IT WAS ON MOTION BY DIRECTOR VERNON SCOTT, SECONDED BY DIRECTOR GERALD ANDERSON AND PASSED UNANIMOUSLY TO APPROVE 32 NEW MEMBERSHIPS AS REVIEWED: WELLS **[[#150]]** 3; CARLIN **[[#150]]** 11; WENDOVER, NV **[[#150]]** 13; AND WENDOVER, UT **[[#150]]** 5.

INFORMATION ITEMS:

Studies Update:

Strategic Plan **[[#150]]** This was postponed until the September board meeting.

Integrated Resource **[[#150]]** This information was available in the FYI basket.

Outage Report **[[#150]]** This information was available

in the FYI basket.

Engineering Report **[[#150]]** This was available in the FYI basket.

Manager**[[#146]]**s Report:

Youth Camp Participants Report **[[#150]]** Nine participants from the Utah Rural Electric Assoc. and the Nevada Rural Electric Assoc. Youth Energy Seminars reported on their experience and what they enjoyed most and learned at this year**[[#146]]**s camp. Each thanked the board for the opportunity to attend.

Board Election Committee **[[#150]]** It was reported that the members of the election committee have been contacted and will count ballots with a staff member on Friday, September 11th at Mr. Robert Vaughan**[[#146]]**s office in Elko.

Account Manager Program **[[#150]]** Dan and Jim reported on the contacts made throughout the service territory.

Y2K Compliance Update **[[#150]]** Dan reported receiving a compliance sheet from NRECA. The Y2K team is currently working these issues to ensure compliance.

Grassroots Program **[[#150]]** A proposal for the grassroots program, "Action in Nevada" was handed out to the board. Staff proposed that each board member submits names of three customers to contact for the grassroots program. A discussion followed.

WREC History Meeting **[[#150]]** A meeting has been set for Thursday, September 24, 1998 at 6:00 pm in the Wells boardroom to discuss the history of Wells Rural Electric. Mr. Rick Steber will be present, as well as past members, board of directors and employees.

1998 Annual Meeting **[[#150]]** The 1998 annual meeting will be held at the Wells High School on Saturday, September 26th, with the health fair beginning at 12:00 noon and the meeting beginning at 2:00 pm. This year**[[#146]]**s speaker is humorist/entertainer, Karyn Buxman.

Power Supply:

Don Angell gave a report on the possibility of a future Venture Star Spaceport

in Wendover, UT. Ten states will submit bids for the site. A thorough discussion on Wendover power factor and other power supply issues followed.

Quantum Resources, Inc. **[[#150]]** Dan reported the Wells Amoco station experienced a false alarm when an incorrect code was used.

As there was no further business to come before the board, the meeting was adjourned at 1:20 pm.

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

MINUTES OF THE REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS OF QUANTUM RESOURCES, INC.

August 21, 1998

The regular meeting of the Board of Directors of Quantum Resources, Inc. was held in Wells, Nevada in the Boardroom of the Wells office and called to order Friday, August 21, 1998 at 1:35 pm. The meeting was presided over by President D. Vernon Dalton.

Directors present were: Gerald Anderson, D. Vernon Dalton, Daryl Eriksen, Robert Harris, Orlin Kidner, Paul Neff, Jerry Parkin, Vernon Scott, S. J. Smith and Mary Wright. Lois Nannini was not present.

Staff members present were Daniel L. Kessler, Jr., Chief Executive Officer and Clay Fitch, Chief Financial Officer. Also present was Amanda Bourne, Executive Secretary.

ACTION ITEMS:

The minutes of the regular meeting of July 17, 1998 were approved as written.

ADDITIONS TO AGENDA:

There were no additions to the agenda.

EXECUTIVE SESSION:

No executive session was held.

MANAGERS REPORT:

Purchase of 4-H Lamb **[[#150]]** IT WAS ON MOTION BY DIRECTOR S.J. SMITH, SECONDED BY DIRECTOR JERRY PARKIN AND PASSED UNANIMOUSLY TO PURCHASE A 4-H LAMB AT THE ELKO COUNTY FAIR.

FINANCIAL REPORT:

A balance sheet ending April 1998 was handed out to the board. Dan and Clay reported.

As there was no further business to come before the board, the meeting was adjourned at 1:50 pm.

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

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