

**HTML contains invalid UTF-8 character(s)****MINUTES OF THE REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS OF  
WELLS RURAL ELECTRIC COMPANY****June 21, 2000**

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 Wednesday, June 21, 2000 at 9:45 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, and Mary A. Wright. S. J. Smith was absent.

Staff members present were Clay R. Fitch, Chief Executive Officer. Also present were Amanda Bourne, Executive Secretary.

**ACTION ITEMS:****APPROVAL OF MINUTES:**

The minutes of the regular meeting of May 19, 2000 were approved as written.

**ADDITIONS TO AGENDA:**

It was asked to add the following items:

- Date for Board Nominee Orientation
- Elko County Economical Diversification Authority (ECEDA)

There were no objections to the additions.

The board complimented Clay on the new format used for the agenda.

**SAFETY FIRST VERSE:**

With the summer heat among us, be sure to keep hydrated by drinking plenty of water. Sodas and sugar drinks are not an adequate way to keep hydrated.

**ACTION ITEM REPORT:**

Date for Board Nominee Orientation **[[#150]]** Tuesday, July 18<sup>th</sup> at 1pm in the Wells office boardroom was set to hold the new nominee orientation. President Dalton and Clay will conduct the orientation.

Elko County Economical Diversification Authority (ECEDA) - Clay reported receiving a letter/request from ECEDA asking Wells Rural Electric to purchase a seat on the ECEDA board. The fee would be \$1,500 for the year and would allow Wells Rural representation and voting authority. It was pointed out that each community is currently represented by the cities. **IT WAS ON MOTION BY DARYL ERIKSEN, SECONDED BY JERRY PARKIN AND APPROVED UNANIMOUSLY TO TABLE THE REQUEST.**

Expense Budget **[[#150]]** The board accepted management**[[#146]]**s suggestion to give the annual report on a semi-annual basis as presented in the agenda. The first report will be in October, with the second in May.

Construction Work-Plan **[[#150]]** IT WAS ON MOTION BY ROBERT HARRIS, SECONDED BY VERNON SCOTT AND PASSED UNANIMOUSLY TO APPROVE THE FOLLOWING RESOLUTION.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors does approve Amendment 2000,2001-1 to the 2000 and 2001 Construction Work Plan, and be it further resolved that the Chief Executive Officer is authorized and directed to contract out the required work necessary to complete all construction within the planned construction period.

Transmission Issues **[[#150]]** IT WAS ON MOTION BY ORLIN KIDNER, SECONDED BY JERRY PARKIN AND PASSED UNANIMOUSLY TO APPROVE THE TRANSMISSION ISSUES PRINCIPLES.

NRECA Strategic Plan **[[#150]]** Board discussed options to propose to NRECA for consideration for their Strategic Planning Session. IT WAS ON MOTION BY JERRY PARKIN, SECONDED BY GERALD ANDERSON AND PASSED UNANIMOUSLY TO APPROVE A RESOLUTION URGING NRECA TO CONTINUE TO OPERATE UNDER THE SAME GUIDELINES AND NOT TO SEPARATE THE COMPANY.

Estate Capital Credits - IT WAS ON MOTION BY VERNON SCOTT, SECONDED BY MARY WRIGHT AND PASSED UNANIMOUSLY TO APPROVE THE DISCOUNTING OF CAPITAL CREDITS TO THE ESTATES AS DESCRIBED IN THE ATTACHED LETTERS FROM WREC**[[#146]]**S ATTORNEY, ROBERT O. VAUGHAN.

Great Basin Community College Summer School Donation **[[#150]]** A discussion was held and it was the consensus additional information was needed. IT WAS ON MOTION BY LOIS NANNINI, SECONDED BY DARYL ERIKSEN FOR THE CHIEF EXECUTIVE OFFICER TO COLLECT MORE INFORMATION AND TO MAKE A DONATION ACCORDINGLY.

LOIS NANNINI AMENDED THE PREVIOUS MOTION TO NOT MAKE A DONATION. DARYL ERIKSEN WITHDREW HIS SECOND. ROBERT HARRIS SECONDED AND MOTION WAS APPROVED.

Appointment to NREA Board - IT WAS ON MOTION BY GERALD ANDERSON, SECONDED BY JERRY PARKIN AND PASSED UNANIMOUSLY TO APPOINT CEO, CLAY FITCH TO REPRESENT WELLS RURAL ON THE NREA BOARD.

#### SAFETY MINUTES:

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

#### NEW MEMBERSHIPS:

IT WAS ON MOTION BY VERNON SCOTT, SECONDED BY ROBERT HARRIS AND PASSED UNANIMOUSLY TO APPROVE 60 NEW MEMBERSHIPS AS REVIEWED: WELLS **[[#150]]** 3; CARLIN **[[#150]]** 25; WENDOVER, NV **[[#150]]** 22 AND WENDOVER, UT **[[#150]]** 10.

## INFORMATIONAL ITEMS:

### DEPARTMENT OR OTHER REPORTS

The following reports were included as information in the agenda:

- Strategic Plan
- Outage
- Operations/Engineering
- Office Services

Clay reported an Administration/Financial report would be included with future agendas.

### POWER SUPPLY:

Power supply was discussed as an action item.

### CEO[[#146]]S REPORT:

CEO Activities [[#150]] Clay reported.

EC Insurance [[#150]] The board discussed the possibilities of offering property/casualty insurance to members from Federated Insurance. IT WAS ON MOTION BY LOIS NANNINI, SECONDED BY ROBERT HARRIS TO GIVE A MEMBER LIST TO FEDERATED INSURANCE. LOIS NANNINI WITHDREW HER MOTION. ROBERT HARRIS TABLED MOTION, JERRY PARKIN SECONDED UNTIL MORE INFORMATION IS RECEIVED. MOTION TO TABLE WAS PASSED UNANIMOUSLY.

Board Meetings [[#150]] Following a discussion, IT WAS ON MOTION BY ROBERT HARRIS, SECONDED BY MARY WRIGHT AND PASSED UNANIMOUSLY TO HOLD THE AUGUST BOARD MEETINGS IN THE WREC WENDOVER OFFICE AT 10 AM (MDT). Clay will invite the City of Wendover, UT and West Wendover, NV to the meeting for discussions.

IT WAS ON MOTION BY GERALD ANDERSON, SECONDED BY ROBERT HARRIS TO HOLD THE JUNE BOARD MEETINGS IN CARLIN AT 9 AM (PST). Following further discussion as to where to hold the meeting, GERALD ANDERSON AMENDS THE MOTION TO TABLE SO MANAGEMENT CAN ARRANGE FOR A MEETING PLACE. ROBERT HARRIS SECONDED THE MOTION TO TABLE. MOTION WAS PASSED UNANIMOUSLY.

WREC History [[#150]] Information was reviewed.

Minutes of Nominating Committee [[#150]] Information was reviewed.

Amending the Articles of Incorporation [[#150]] There was no objection for Tom Strait, IRS auditor to consult with attorney, Robert Vaughan regarding IRS issues. Following a discussion on majority vote for by-laws, IT WAS ON MOTION BY DARYL ERIKSEN, SECONDED BY LOIS NANNINI, AND PASSED UNANIMOUSLY TO INSTRUCT ROBERT VAUGHAN TO CHANGE THE ARTICLES OF INCORPORATION FROM "MAJORITY" TO "2/3" VOTE OF DIRECTORS TO CHANGE BY-LAWS.

Quarterly Newsletter Schedule [[#150]] The proposed newsletter schedule was accepted by the board.

Member Survey **[[#150]]** Following a discussion, IT WAS ON MOTION BY LOIS NANNINI, SECONDED BY JERRY PARKIN AND PASSED WITH 8 FOR AND 1 AGAINST TO TABLE THE SURVEY.

### QUANTUM RESOURCES, INC.

There was nothing to report at this time.

### OTHER BUSINESS

Clay reviewed topics for future board meeting discussions.

It was asked to have a facilitator present when staff and the board meet to compile the strategic plan.

Gerald Anderson reported on the NRECA Summer School he attended.

Mary Wright reported on the NWPPA Annual Meeting.

Following a discussion, it was agreed to make reporting of conferences an agenda item.

### EXECUTIVE SESSION

The board held an executive session.

As there was no further information to discuss, the meeting was adjourned at 12:47 pm.

D. Vernon Dalton, President Mary A. Wright, Secretary/Treasurer

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

**June 21, 2000**

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 Wednesday, June 21, 2000 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, and Mary Wright. S. J. Smith was absent.

Staff members present were Clay R. Fitch, Chief Executive Officer. Also present was Amanda Bourne, Executive Secretary.

### ACTION ITEMS:

Approval of Minutes - The minutes of the regular meeting of May 19, 2000 were approved as written.

### ADDITIONS TO AGENDA:

There were no additions.

## EXECUTIVE SESSION

An executive session was not held.

## FINANCIAL REPORT

Clay presented the updated financial information through April 2000.

Following a discussion, the board agreed to split Quantum into two companies, systems and electrical contracting. A lengthy discussion was held as to what action the board should take with the electrical contracting business. The board agreed that a priority would be that of the members as well as WREC[[#146]]s reputation. IT WAS ON MOTION BY MARY WRIGHT, SECONDED BY ROBERT HARRIS AND PASSED UNANIMOUSLY FOR MANAGEMENT TO PUT TOGETHER AN EXITING PLAN FOR THE ELECTRICAL CONTRACTING BUSINESS OF QUANTUM RESOURCES, INC. AND TO CREATE A NEW STRUCTURE FOR THE SYSTEMS COMPANY.

## CASH FLOW OPTIONS

Clay presented three scenarios, IT WAS ON MOTION BY LOIS NANNINI, SECONDED BY GERALD ANDERSON TO BORROW \$150,000 FROM NCSC TO BE USED TO PAY OFF VENDORS AND FOR OPERATING COSTS

A lengthy discussion continued. The motion was called for question. MOTION PASSED UNANIMOUSLY.

## OTHER BUSINESS:

As there was no further business to come before the board, the meeting was adjourned at 10:00 am.

D. Vernon Dalton, President Mary A. Wright, Secretary/Treasurer

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