

HTML contains invalid UTF-8 character(s)**MINUTES OF THE REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS OF
WELLS RURAL ELECTRIC COMPANY****May 21, 2001**

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 Monday, May 21, 2001 at 9:10 am. The meeting was presided over by President D. Vernon Dalton.

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

Staff members present were Clay R. Fitch, Chief Executive Officer. Also present was Amanda Moffitt, Executive Secretary, Hank James, Coordinator of Diversified Services and Sales, and Don Angell, Consultant gave presentations.

ACTION ITEMS:**APPROVAL OF MINUTES:**

The minutes of the regular meeting of April 20, 2001 were approved as corrected.

The spelling of Lorinda was changed to Lourinda.

ADDITIONS TO AGENDA:

There were no objections to add the following:

- Waiver of Notice of Special Meeting
- CFC Integrity Fund
- All directors present signed a Waiver of Notice of Special Meeting. (Attached)

SAFETY FIRST VERSE:

Power tools help us get the job done. Make sure it gets done safely by following all the manufacturer~~[[#146]]~~s recommended safety measures. And remember; never take short cuts.

ACTION ITEM REPORT:

Operating Budget ~~[[#150]]~~ Following a discussion, IT WAS ON MOTION BY PAUL NEFF, SECONDED BY GERALD ANDERSON AND PASSED UNANIMOUSLY TO APPROVE THE 2001 OPERATING BUDGET AS PRESENTED.

Electrician Plan ~~[[#150]]~~ Hank James, Coordinator of Diversified Services and Sales gave a presentation based on information given the board in the Electrician Services Business Plan. The plan will be forwarded to CFC for their review.

CFC Integrity Fund ~~[[#150]]~~ Clay presented the board with information from CFC regarding their Integrity Fund. CFC is asking for a donation of a portion of WREC~~[[#146]]~~s Patronage Capital refund.

IT WAS ON MOTION BY GERALD ANDERSON, SECONDED BY PAUL NEFF AND PASSED UNANIMOUSLY TO APPROVE DONATING 5% FROM THE CFC PATRONAGE CAPITAL REFUND AND TO BE USED FOR ELECTRICITY COOPERATIVES ONLY.

Letter from ECO **[[#150]]** A discussion was held. The board asked Clay to schedule an update with Dan Kessler of ECO at the next board meeting.

A lunch recess was called at 12:00 noon. The meeting was called back to order at 1:05 pm.

Nominating/Election Committee **[[#150]]** IT WAS ON MOTION BY DARYL ERIKSEN, SECONDED BY LOIS NANNINI AND PASSED UNANIMOUSLY TO APPROVE THE FOLLOWING MEMBERS AS THE NOMINATING/ELECTION COMMITTEE: ESTELLA DURAZO OF CARLIN; STEVE SAFFORD OF CLOVER VALLEY; DOROTHY ELTON, WELLS AND MARGE WARMBRODT OF WENDOVER, WITH BETH BROWN, BARBARA EKLUND AND CAROL LANGER AND SCOTT BALLARD AS ALTERNATES.

Rule 9 Financing **[[#150]]** The board discussed financing options for line extensions. Following a discussion, IT WAS ON MOTION BY LOIS NANNINI, SECONDED BY DARYL ERIKSEN AND PASSED UNANIMOUSLY TO APPROVE RULE 9, INCLUDING EC HOME FINANCING AS PRESENTED AT THE APRIL BOARD MEETING. (Attachment A)

Scholarship Committee **[[#150]]** Chairman, Orlin Kidner reported 38 students were interviewed and the committee recommends awarding the scholarships to the following students; Jeff Dobiash of Wells; Brittany Cutler of West Wendover; Jonathon Lund of West Wendover and Timothy Kennedy of Carlin. IT WAS ON MOTION BY ORLIN KIDNER, SECONDED BY PAUL NEFF AND PASSED UNANIMOUSLY TO APPROVE THE 2001 SCHOLARSHIP RECIPIENTS AS PRESENTED.

It was the consensus of the board to schedule a Scholarship Committee meeting to discuss future scholarships.

Net Metering Tariff **[[#150]]** Clay reported he has not received information from Scott Egbert and requested this be delayed until further notice.

Strategy 2 and Strategy 3 **[[#150]]** Following a review and discussion, IT WAS ON MOTION BY ORLIN KIDNER, SECONDED BY GERALD ANDERSON AND PASSED UNANIMOUSLY TO APPROVE STRATEGY 2 AND STRATEGY 3 AS PRESENTED.

BPA Contract **[[#150]]** IT WAS ON MOTION BY DARYL ERIKSEN, SECONDED BY ORLIN KIDNER AND PASSED UNANIMOUSLY TO APPROVE GIVING THE BOARD PRESIDENT, VERNON DALTON, AUTHORIZATION TO SIGN THE BPA CONTRACT WHEN IT BECOMES AVAILABLE.

Ruby Pipeline **[[#150]]** Following a discussion on the Ruby Pipeline Open Season, IT WAS ON MOTION BY GERALD ANDERSON, SECONDED BY MARY WRIGHT AND PASSED UNANIMOUSLY TO ENTER THE COLORADO INTERSTATE GAS OPEN SEASON FOR ENOUGH CAPACITY ON THE PIPELINE TO SUPPORT 10 MEGAWATTS OF GENERATION. DARYL ERIKSEN ABSTAINED.

SAFETY MINUTES:

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

NEW MEMBERSHIPS:

IT WAS ON MOTION BY VERNON SCOTT, SECONDED BY GERALD ANDERSON AND PASSED UNANIMOUSLY TO APPROVE 54 NEW MEMBERSHIPS AS REVIEWED: WELLS **[[#150]]** 11; CARLIN **[[#150]]** 11; WENDOVER, NV **[[#150]]** 19 AND WENDOVER, UT **[[#150]]** 13.

INFORMATIONAL ITEMS:

DEPARTMENT OR OTHER REPORTS

The following reports were included as information in the agenda:

- Strategic Plan
- Outage
- Finance and Administration
- Member Services
- Office Services
- Operations
- Marketing and Diversified Services

POWER SUPPLY - Don Angell reported on the following topics: BPA Rate Case. Newmont Issues, Wendover Power Factor, Nevada Issues, Federal Restructuring, and California Issues.

BOARD REPORTS

Those attending the Legislative Conference made reports.

CEO[[#146]]S REPORT:

The following reports were included in the agenda:

- CEO Activities
- Key Accounts
- Future Board Meetings

Clay updated the board on Assembly Bill 349. He reported that following the hearing, rural cooperatives have been amended out of the bill from the Senate.

OTHER BUSINESS

There was no further business discussed.

EXECUTIVE SESSION

There was no executive session held.

As there was no further information to discuss, the meeting was adjourned at 4:15 pm.

D. Vernon Dalton, President

Lois Nannini, Secretary/Treasurer

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