

HTML contains invalid UTF-8 character(s)

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

December 13, 2002

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, December 13, 2002 at 9:00 am. The meeting was presided over by President D. Vernon Dalton.

Directors present were: Gerald Anderson, D. Vernon Dalton, Scott Egbert, Orlin Kidner, Lois Nannini, Paul Neff, Jerry Parkin, S. J. Smith, Ron Springsteel, and Mary Wright. Howard Wright was absent.

Staff member present was Clay R. Fitch, Chief Executive Officer. Also present was Amanda Moffitt, Executive Secretary.

ACTION ITEMS:**APPROVAL OF MINUTES:**

The minutes of the regular meeting of November 19, 2002 were approved as written.

ADDITIONS TO AGENDA:

There were no objections to add the following:

- Escheating of Capital Credits

SAFETY FIRST VERSE: Tis the Season to use caution when driving. In the hustle and bustle of shopping and traveling to and fro, road rage is very common. Remember to use signals when turning, and pay attention to other drivers around you.

ACTION ITEMS:

- A. Union Agreement - Clay updated the board on the recent union negotiations and presented an agreement, signed by the Union representatives. IT WAS ON MOTION BY GERALD ANDERSON, SECONDED BY S. J. SMITH AND PASSED UNANIMOUSLY TO APPROVE THE UNION AGREEMENT AS PRESENTED.
- B. Policy 7-2 **[[#150]]** Clay proposed adding a vacation deferral section to Policy 7-2 to replicate the union agreement. IT WAS ON MOTION BY S. J. SMITH, SECONDED BY JERRY PARKIN AND PASSED UNANIMOUSLY TO APPROVE ADDING VACATION DEFERRAL TO POLICY 7-2.
- C. GPA Budget **[[#150]]** Following a presentation and discussion, IT WAS ON MOTION BY SCOTT EGBERT, SECONDED BY RON SPRINGSTEEL AND PASSED UNANIMOUSLY TO APPROVE THE 2003 GPA BUDGET.

A discussion was held on replacing the chairs in the Wells boardroom. It was the consensus of the board to not replace the chairs.

- D. Spill Prevention Containment and Countermeasures Plan (SPCC) Plan **[[#150]]** Mike Cromie explained that with recent changes to the federal SPCC requirements, WREC must comply by submitting a SPCC

Plan for transformers containing 1,320 gallons or more of oil. The plan must be site specific and be stamped by a certified engineer. Currently, WREC has received 2 bids for the project. IT WAS ON MOTION BY S. J. SMITH, SECONDED BY GERALD ANDERSON AND PASSED UNANIMOUSLY TO APPROVE ACQUIRING SPCC PLANS ON EACH REQUIRED SITE.

- E. Two-Year Work Plan Amendment **[[#150]]** Following a discussion on re-defining the budget allocated for replacing the Tetragenics Series 400 equipment with a Smart SCADA System, IT WAS ON MOTION BY PAUL NEFF, SECONDED BY SCOTT EGBERT AND PASSED UNANIMOUSLY TO APPROVE THE AMENDMENT TO THE TWO-YEAR WORK PLAN.
- F. Trout Creek Hydro Report **[[#150]]** Mike Cromie and Chad Swett updated the board on the necessary rewind of the bearings at the Trout Creek hydro. Following a thorough discussion, IT WAS ON MOTION BY PAUL NEFF, SECONDED BY ORLIN KIDNER AND PASSED UNANIMOUSLY TO APPROVE COMPLETING THE NECESSARY REPAIRS TO THE HYDRO TO MAKE OPERABLE.
- G. Joe Williams of Peppermill Casino **[[#150]]** Via a conference call with Mr. Williams of the Peppermill a request was made to the board to waive the deposit for electric service at their newly acquired property of the Silversmith Casino. The board discussed current policies and options for commercial power users. IT WAS ON MOTION BY LOIS NANNINI, SECONDED BY MARY WRIGHT AND PASSED UNANIMOUSLY TO APPROVE WAIVING THE DEPOSIT, PROVIDED WREC RECEIVES A LETTER FROM BILL PAGNANI OF THE PEPPERMILL STATING THAT THE PEPPERMILL IS DOING BUSINESS AS MONTEGO BAY.

The board continued discussions regarding residential and commercial deposits. IT WAS ON MOTION BY S. J. SMITH, SECONDED BY MARY WRIGHT AND PASSED UNANIMOUSLY TO ADOPT POLICY FOR NEW LARGE CUSTOMERS TO MAKE A CASH DEPOSIT OR LINE OF CREDIT FROM AN ENTITY TO COVER TWO MONTH POWER BILL. THE DEPOSIT WILL BE HELD FOR A ONE-YEAR PERIOD. THE LINE OF CREDIT WILL BE AT THE CUSTOMERS EXPENSE.

- H. Capital Credit **[[#150]]** IT WAS ON MOTION BY SCOTT EGBERT, SECONDED BY PAUL NEFF AND PASSED UNANIMOUSLY TO APPROVE RETIRING \$558,195 OF CAPITAL CREDIT IN 2003. This would retire most of 1985 and portions of years 1986 through 2001.
- I. Write-Off List - The board reviewed the current write-off list **[[#150]]** IT WAS ON MOTION BY MARY WRIGHT, SECONDED BY JERRY PARKIN AND PASSED UNANIMOUSLY TO APPROVE THE 2002 WRITE-OFF LIST AS PRESENTED.
- J. Escheating of Capital Credits **[[#150]]** A discussion was held regarding recommendations from counsel. It was the consensus of the board for staff to review Mr. Vaughan**[[#146]]**s recommendations and prepare a report for the board.

Clay reported Mr. Joe Williams of the Peppermill phoned and will have an \$80,000.00 Line of Credit from Nevada State Bank to WREC in lieu of a cash deposit.

PRESENTATIONS

- A. Gas Pipeline Update **[[#150]]** Clay and Don Angell updated the board on the current status of the Ruby Pipeline to Newmont and the costs associated with bringing the pipeline into Wells.

A lunch recess was called at 12:35 pm. The meeting was called back to order 1:10 pm.

- B. Strategy 6 **[[#150]]** Communication, Education and Demographics **[[#150]]** Hank James, Tommi Reynolds and Jeff Cromie gave a presentation on Strategy 6.

C. Business Plan Update **[[#150]]** Hank James gave a bi-annual update on the business plan.

SAFETY MINUTES: IT WAS ON MOTION BY GERALD ANDERSON, SECONDED BY SCOTT EGBERT AND PASSED UNANIMOUSLY TO APPROVE THE SAFETY MINUTES AS PRESENTED.

NEW MEMBERSHIPS: IT WAS ON MOTION BY JERRY PARKIN, SECONDED BY ORLIN KIDNER AND PASSED UNANIMOUSLY TO APPROVE 59 NEW MEMBERSHIPS AS REVIEWED: WELLS **[[#150]]** 9; CARLIN **[[#150]]** 15; WENDOVER, NV **[[#150]]** 22 AND WENDOVER, UT **[[#150]]** 13.

President Dalton excused himself from the meeting. Vice-President Mary Wright presided.

INFORMATIONAL ITEMS:

DEPARTMENT OR OTHER REPORTS

The following reports were included as information in the agenda:

- Outage
- Finance and Administration
- Member Services
- Office Services **[[#150]]** The board was asked to consider participating in e-billing.
- Diversified Services
- Integrated Resources
- Member Information Systems
- Trout Creek Hydro

POWER SUPPLY REPORT

The power supply report was included in the agenda.

BOARD REPORTS

There were no board reports made.

CEO**[[#146]]**S REPORT

Net Metering Tariff **[[#150]]** Clay updated the board on the progress of the tariff. It will be presented in January.

Physical Policy **[[#150]]** With the changes in the medical insurance policy, Clay suggested to the board to add spouse physical coverage under the current employee physical policy.

NRECA**[[#146]]**s Annual Meeting **[[#150]]** Information regarding this conference is attached.

United Way **[[#150]]** Clay and the board discussed the recent United Way campaign and will invite local coordinators to WREC in January to present the campaign.

January Agenda **[[#150]]** The following will be on the agenda in January:

Pre-Legislative Session

United Way Campaign

OTHER BUSINESS:

There was no further business to discuss.

EXECUTIVE SESSION:

An executive session was not held.

As there was no further information to discuss, the meeting was adjourned at 3:13 pm.

D. Vernon Dalton, President

Lois Nannini, Secretary/Treasurer

mPDF error: