

HTML contains invalid UTF-8 character(s)

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

April 18, 2003

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, April 18, 2003 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, Howard Wright and Mary Wright.

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 March 14, 2003 were approved as written.

ADDITIONS TO AGENDA:

There were no objections to add the following:

- McNab Contract
- Election Committee
- Orientation for Director Candidate
- Request for Integrity Fund from CFC

SAFETY FIRST VERSE: Sunburn **[[#150]]** Whether out doing yard work or on the golf course, it is time to put the sunscreen on. The weather may still be cool, but the sun's rays are intense and will burn.

ACTION ITEMS:

2002 Financial Audit - Robert Cobb of Bolinger, Segars, Gilbert and Moss, L.L.P. presented the annual audit report to the directors and answered questions regarding the audit. Following a thorough review and discussion, IT WAS ON MOTION BY MARY WRIGHT, SECONDED BY PAUL NEFF AND PASSED TO APPROVE THE 2002 AUDIT AS PRESENTED.

A discussion was held regarding the Management letter suggestions.

An Executive Session was called.

Election Committee **[[#150]]** IT WAS ON MOTION BY ORLIN KIDNER, SECONDED BY JERRY PARKIN AND PASSED TO APPROVE THE FOLLOWING MEMBERS TO THE 2003 ELECTION COMMITTEE: CAROL HUNTER, GWENN WINES, ANITA CHOATE AND ESTELA DURAZO.

Board Orientation **[[#150]]** IT WAS ON MOTION BY JERRY PARKIN, SECONDED BY LOIS NANNINI AND PASSED TO HOLD THE NEW BOARD CANDIDATE ORIENTATION ON, MONDAY, JULY 14, 2003 IN THE WELLS BOARD ROOM.

CFC Integrity Fund Request **[[#150]]** Clay informed the board of a donation request from CFC for the Integrity Fund. IT WAS ON MOTION BY LOIS NANNINI, SECONDED BY ORLIN KIDNER AND PASSED TO APPROVE MAKING A DONATION OF 5% OF OUR CFC CAPITAL CREDIT REFUND TO THE CFC INTEGRITY FUND, AND TO DESIGNATE THE DONATION FOR ELECTRIC SYSTEMS ONLY.

Organizational Chart **[[#150]]** Clay handed out the old and new organizational chart for the board to review. He explained the changes in the re-organization and noted there were no positions added. IT WAS ON MOTION BY S.J. SMITH, SECONDED BY GERALD ANDERSON AND PASSED TO APPROVE THE NEW ORGANIZATIONAL CHART AS PRESENTED.

Wells Rural**[[#146]]**s Business Plan **[[#150]]** Clay explained that staff has been working on a business plan for the past 2 years of the Strategic Plan and requested to extend the deadline into next years plan. IT WAS ON MOTION BY SCOTT EGBERT, SECONDED BY ORLIN KIDNER AND PASSED TO APPROVE AN EXTENSION TO THE BUSINESS PLAN FOR ONE YEAR.

McNab Contract **[[#150]]** The next matter to come before the meeting concerns whether or not to permit subrogation of the obligation of Thomas P. and Volina L. Connolly to pay Wells Rural the balance due on the contract dated September 12, 1995, whereby Donald M. and Sandra J. McNab, were granted fifteen (15) years to pay back, with interest, Line Extension costs of approximately \$25,000.00. After reviewing the background of the matter and the current circumstances together with the information provided by counsel and due consideration, IT WAS ON MOTION BY S.J. SMITH, SECONDED BY JERRY PARKIN AND PASSED FOR STAFF TO WRITE A LETTER REQUESTING THE LIEN BE PAID IN FULL WITH THE PURCHASE OF THE RANCH.

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

NEW MEMBERSHIPS: IT WAS ON MOTION BY MARY WRIGHT, SECONDED BY ORLIN KIDNER AND PASSED TO APPROVE 50 NEW MEMBERSHIPS AS REVIEWED: WELLS **[[#150]]** 10; CARLIN **[[#150]]**15; WENDOVER, NV **[[#150]]**17 AND WENDOVER, UT **[[#150]]**8.

DISCUSSION ITEMS:

Next Dollar Foundation **[[#150]]** Clay reported that Mr. Vaughan is continuing to work on his opinion in regards to escheated capital credits. A discussion was held regarding the Next Dollar Foundation**[[#146]]**s ability to provide scholarships without the escheated capital credits. IT WAS ON MOTION BY LOIS NANNINI, SECONDED BY JERRY PARKIN AND PASSED TO DISPENSE TO THE NEXT DOLLAR FOUNDATION, \$30,371 OF ESCHATED CAPITAL CREDITS WITH \$5,000 TO BE DISTRIBUTED AS SCHOLARSHIPS, AND A STRONG MEMBER REQUEST THAT, THE REMAINING FUNDS WILL REMAIN IN THE NEXT DOLLAR FOUNDATION**[[#146]]**S ACCOUNT UNTIL FURTHER NOTIFICATION.

Website Links **[[#150]]** A discussion was held regarding other entities being linked to Wells Rural**[[#146]]**s website. Following a discussion, staff was directed to draft a policy regarding website links.

Legislative Update **[[#150]]** Clay handed out a Legislative Report describing the proposed bills. The board requested staff to draft a letter opposing the gross receipts tax, which would be sent to our elected officials, asking for their continued support.

A lunch recess was called at 11:50am. The meeting was called back to order at 12:55pm.

DEPARTMENT OR OTHER REPORTS

The following reports were included as information in the agenda:

- Outage
- Finance and Administration
- Member Services
- Office Services
- Operations
- Diversified Services
- Integrated Resources
- Member Information Systems

POWER SUPPLY REPORT

The power supply report was included in the agenda.

Don Angell reported on the Regional Transmission Organization (RTO), which covered the history of FERC Deregulation and RTO[[#146]]s; what an RTO is, what Standard Market Design (SMD)is, the benefits and opposition to RTO/SMD. A handout was provided to the board.

BOARD REPORTS

A report was made and staff was commended on the Carlin Business Fair.

CEO[[#146]]S REPORT

Legislative Conference [[#150]] Clay updated the board on continuing efforts being made to schedule appointments with the legislators. Those attending the conference will be contacted when the appointments are confirmed.

Annual Company Picnic [[#150]] Clay asked the boards permission to schedule this year[[#146]]s picnic Saturday, August 23rd at Camp Lamoille. The board approved.

Newmont Letter [[#150]] Clay handed out a letter he received from Jacqueline Beckett of Newmont addressing matters regarding the Newmont Consolidated Agreement. Clay reported and a discussion was held.

Project Graduation [[#150]] Clay explained what Project Graduation is and made donation forms available to the board. IT WAS ON MOTION BY LOIS NANNINI, SECONDED BY MARY WRIGHT AND PASSED TO DONATE ONE (1) USED LAPTOP COMPUTER TO BE AWARDED DURING PROJECT GRADUATION.

OTHER BUSINESS:

There was no other business.

EXECUTIVE SESSION:

An executive session was held.

As there was no further information to discuss, the meeting was adjourned at 3:20 pm.

D. Vernon Dalton, President

Lois Nannini, Secretary/Treasurer

mPDF error: