

HTML contains invalid UTF-8 character(s)

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

February 2, 2005

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, January 5, 2005 at 9:00 a.m. The meeting was presided over by President D. Vernon Dalton.

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

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

APPROVAL OF MINUTES: The minutes of the regular meeting of January 5, 2005 were approved as corrected: Scott Egbert was absent from the meeting.
Director/CEO Expense Committee **[[#150]]** It was the consensus of the board to add **extenuating** circumstances, illness or accident to 3.

ADDITIONS TO AGENDA:

- Company Credit Cards/Expense Committee

SAFETY FIRST VERSE: **[[#150]]** Get a grip. To prevent a slip, use hand rails.

PRESENTATION: David Priest a member from Wendover introduced Ralph Horn, owner of Cooler Power. Mr. Horn gave a presentation on a system that produces power from reclaiming waste heat through a heat exchanger. Minimum temperature for the system to produce energy is 235**[[#186]]**. A discussion and questions answered regarding the system.

ACTION ITEMS:

Director Expense Committee **[[#150]]** A discussion was held regarding director credit cards and reconciling credit card statements. **IT WAS ON MOTION BY PAUL NEFF, SECONDED BY S. J. SMITH AND PASSED FOR MANAGEMENT TO DRAFT A PROPOSAL FOR CREDIT CARDS TO BE RECONCILED BY THE EXPENSE COMMITTEE.**
IT WAS ON MOTION BY LOIS NANNINI AND SECONDED BY ORLIN KIDNER FOR DIRECTORS TO USE THE COMPANY CREDIT CARD FOR LODGING AND TRAVEL EXPENDITURES.
Following further discussion, **LOIS NANNINI AND ORLIN KIDNER WITHDREW THEIR MOTION.**
(20 min.)

General Transfer Agreement **[[#150]]** Clay gave the board a handout that explained the GTA agreement. Clay explained that without the GTA Agreement, Wells Rural would be required to pay full transmission costs to transfer power through lines to our service territory. There also must be enough GTA customers who sign the agreement in order for the Administrator to sign and accept the contract. If the contract is signed, Wells Rural will be given a twenty-year (20) commitment.

Director Expense Report **[[#150]]** The board reviewed 2004 board expenditure report. **IT WAS ON MOTION BY GERALD ANDERSON, SECONDED BY RON SPRINGSTEEL AND PASSED TO ACCEPT THE 2005 BOARD EXPENDITURE REPORT AS PRESENTED.**

DISCUSSION ITEMS:

Strategy 1-1.1, Long-Term Power Supply **[[#150]]** Clay and the board reviewed and discussed the Long-Term Power Supply Report, which addressed; load forecast, customer class, point of delivery and risks involved. It was the consensus of the board to continue being a BPA customer as long as the price was affordable to the members. Clay will contact NRECA and NWPPA and request a copy of their resolutions on nuclear energy, so Wells Rural can identify their allies on future power supply. (1 hour)

Strategy 1.2.1, Renewables Policy **[[#150]]** Clay handed out a list of questions for the board to discuss that will give staff direction to draft a policy. (30 minutes)

A lunch recess was called at 12:00 noon. The meeting was called back to order at 12:35 pm.

Strategy 6.1.2, C & R Discount Program **[[#150]]** The board reviewed the 2004 year-end report and discussed whether or not to continue the program with WREC funding. It was the consensus of the board to allow the program to expire.

Safety Minutes **[[#150]]** **IT WAS ON MOTION BY GERALD ANDERSON, SECONDED BY ORLIN KIDNER AND PASSED TO APPROVE THE SAFETY MINUTES AS PRESENTED.**

New Memberships **[[#150]]** **IT WAS ON MOTION BY HOWARD WRIGHT, SECONDED BY JERRY PARKIN AND PASSED TO APPROVE 41 NEW MEMBERSHIPS AS REVIEWED; WELLS [[#150]] 13; CARLIN [[#150]] 8; WENDOVER, NV [[#150]] 15 AND WENDOVER, UT [[#150]] 5.**

MANAGEMENT REPORTS:

Board Reports - There were no reports as this time.

Department Reports **[[#150]]** The following reports were included as information in the agenda:

Office Services

- [[#183]]** Finance and Administration
- [[#183]]** Accounting
- [[#183]]** Member Services
- [[#183]]** Marketing
- [[#183]]** Member Business Development

Operations Department

- [[#183]]** Operations **[[#150]]** a discussion was held regarding the recent outages. The board commended the line crew and employees in restoring power during the outages.
- [[#183]]** Outage
- [[#183]]** Safety Committee Minutes
- [[#183]]** Information Services
- [[#183]]** Diversified Services **[[#150]]** A discussion was held on Wild Blue.

Following a discussion on the above reports, **IT WAS ON MOTION BY SCOTT EGBERT, SECONDED BY GERALD ANDERSON AND PASSED TO LEAVE THE FOUR CFC LOANS AT THE VARIABLE RATE AND TO REVIEW AT EACH BOARD MEETING.**

IT WAS ON MOTION BY SCOTT EGBERT, SECONDED BY RON SPRINGSTEEL AND PASSED TO SEPARATE THE IRRIGATION PIVOT ACCOUNTS FROM THE CURRENT RATE CLASS AND CREATE A RATE FOR PIVOTS ONLY.

Power Supply Report **[[#150]]** A discussion was held.

CEO**[[#146]]**s REPORT:

Capital Credit Report **[[#150]]** Clay informed the board of a break-out session to be held at the annual meeting regarding capital credits. He also announced that Bill Miller of Bolinger, Segars, Gilbert and Moss L. L. P. will be available at the March board meeting to discuss capital credits.

Clay updated the board on a member contact regarding Rule 9. A discussion ensued. **IT WAS ON MOTION BY LOIS NANNINI, SECONDED BY ORLIN KIDNER AND PASSED TO REMOVE THE **[[#147]]RE-IMBURSEMENT FOR LINE EXTENSIONS[[#148]] FROM RULE 9.**** Howard Wright requested his vote to be recorded as opposed.

AGENDA ITEMS:

- Rule 9

EXECUTIVE SESSION:

An Executive Session was not held.

OTHER BUSINESS:

As there was no further information to discuss, the meeting was adjourned at 1:57 pm.

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

mPDF error: