

SPECIAL MEETING OF BOARD OF DIRECTORS
OF WELLS RURAL ELECTRIC COMPANY
IN LIEU OF REGULAR MEETING

A special meeting of the board of directors of WELLS RURAL ELECTRIC COMPANY was held on April 6, 1962, at the office of WELLS RURAL ELECTRIC COMPANY in the City of Wells, State of Nevada, at 7:30 o'clock P.M., pursuant to waiver of notice signed by all of the directors of the Corporation.

The meeting was called to order by ROBERT R. WRIGHT, president, who presided, and JOHN W. MOSCHETTI, secretary, acted as secretary of the meeting.

Upon calling the roll the secretary reported that the following directors were present: Robert Wright, Verne Dalton, James Ballard, Charles Read, Clarence Swett, Herbert Uhlig, Arthur Grock, Roger Smith, Blaine Sharp, Eyer Boies and John Moschetti, being all of the directors of the Company. Also present was Manager George Blackett.

The chairman declared a quorum of the directors to be present.

The chairman directed the secretary to annex to the minutes of this meeting the waiver of notice thereof.

The chairman explained that the full principal amount of a certain note issued by the Corporation to the United States of America to evidence a loan made to the Corporation by the United States of America had not yet been advanced to the Corporation, and that it was desirable to provide a schedule for the repayment of amounts not yet advanced to the Corporation by the Government.

The chairman called attention to the fact that the

period of deferment of repayments of principal in said note had expired or was about to expire, and that the repayment schedule contained in such note is based upon the amount owing by the Corporation on account of such note at the expiration of said period of deferment.

The chairman further stated that in order to provide the repayment schedule with respect to amounts to be advanced to the Corporation in the future on account of the note, it would be desirable for the Corporation to enter into an agreement with United States of America which would provide for such repayment. The chairman then presented the form of a proposed agreement and stated that the form of the proposed agreement had been approved by counsel for the Corporation. The secretary then read to the meeting the form of the proposed agreement. The proposed agreement was then fully discussed and, on motion duly made and seconded,
the following resolution was unanimously adopted:

RESOLVED that the president is hereby authorized on behalf of the Corporation to execute and deliver under its corporate seal, which the secretary is directed to affix and attest, as many counterparts as shall be deemed advisable of an agreement (hereinafter called the "Agreement") by and between the Corporation and United States of America, acting through the Administrator of Rural Electrification Administration, substantially in the form of the Agreement submitted to this meeting, with such insertions, changes and variations in the form of the Agreement as the president of the Corporation shall in his discretion deem necessary or expedient.

The secretary was then directed to identify the form of the agreement as having been acted upon at this meeting and to annex such form to the minutes of this meeting.

The chairman next stated that the members had heretofore authorized the board of directors to borrow from time to time from

United States of America amounts not to exceed in the aggregate \$5,000,000 to finance the construction, acquisition and operation of electric transmission, distribution, service and generating facilities. The chairman reviewed the various contracts and other instruments which had been executed and delivered on behalf of the Cooperative in connection with the borrowing from United States of America of \$1,654,000 of the amounts so authorized, including the deed of trust, dated as of July 10, 1959, and supplement thereto, delivered to First National Bank of Nevada, as trustee, as security therefor and for additional amounts which might be borrowed from United States of America, the aggregate principal amount to be secured thereby not to exceed \$5,000,000.

The chairman then pointed out the loan contract with United States of America, dated as of May 8, 1959, provided that the loan therein provided for might be increased from time to time by amendments thereto and presented to the meeting the form of a proposed agreement amending in certain respects such loan contract as previously amended and providing for an increase of not to exceed \$1,108,000 in the amount of the loan. The chairman then stated that the Cooperative would be required to execute and deliver a note to evidence such increase in the aggregate amount of the loans. The secretary then read to the meeting the forms of the proposed agreement and note and stated that such forms had been approved by counsel for the Corporation. Such forms and the proposition for the construction, acquisition and operation of additional electric transmission, distribution and service lines were then fully discussed and, on motion duly made and seconded, the following resolutions were unanimously adopted:

RESOLVED that the Cooperative borrow from United States of America an additional amount not to exceed \$1,108,000;

RESOLVED that the Cooperative construct, acquire and operate additional electric transmission, distribution and service lines, together with all necessary appurtenances, in rural areas in the County of Elko in the State of Nevada and in the County of Tooele in the State of Utah; and ~~in counties contiguous thereto, all in the States of Nevada and Utah,~~ *P.R.W.* and along such routes as shall be approved by the Administrator of the Rural Electrification Administration for the purpose of furnishing electric energy to additional consumers not receiving central station electric service; and

RESOLVED that the president is hereby authorized on behalf of the Cooperative to execute and deliver under its corporate seal, which the secretary is directed to affix and attest,

1. as many counterparts as shall be deemed advisable of an agreement with United States of America, acting through the Administrator of the Rural Electrification Administration, substantially in the form of the agreement submitted to this meeting; and
2. a note payable to the order of United States of America in the principal amount of \$1,108,000, bearing interest at the rate of two per centum per annum, providing for the payment of the indebtedness evidenced thereby within 35 years after the date thereof and to be issued under and secured by the deed of trust dated as of July 10, 1959, heretofore executed by the Cooperative, and delivered to First National Bank of Nevada, as trustee, as amended and supplemented, substantially in the form of the note submitted, ~~substantially in the form of the note submitted~~ *P.R.W.* to this meeting;

with such changes in the forms of the agreement and note as the president shall deem advisable.

The secretary was then directed to identify the forms of the agreement and note as having been acted upon at this meeting and to annex such forms to the minutes of this meeting.

The next business to come before the meeting was the reading of the minutes of the Special Meeting held on March 2nd, 1962 covering the bid openings on the B Project as read by the President. Minutes were approved. The secretary then read the minutes of the last regular meeting which were approved with notation that action covering donation of \$25.00 to Jean McElrath's book "Aged in Sage" had been omitted from the minutes.

The Manager gave the financial report which was approved.

Thank you note from Jean McElrath was read by the President.

Novation Agreement between Wendover Air Base, Wendover Power & Light and Wells Rural Electric Company was then discussed at length and the board members wanted to be certain that it would not be necessary to operate the diesel plants after hydroelectric power was available, so following this discussion motion was duly made, seconded and unanimously adopted as follows:

RESOLVED: That the Novation Agreement as presented be approved provided that our attorney adds a Paragraph 10 stipulating that the contract between Wendover Light and Power and the Government which Wells Rural Electric Company is assuming will be null and void when Wells Rural Electric Company hydro-electric transmission lines are energized to the Wendover area and hydro-electric power is available to the Wendover Air Base.

Letter from REA Engineer Dangerfield was discussed in which he suggested that we request from Associated Engineers further information on charges for Special Permits. Reply from Associated Engineers stated that they would have this information and time cards available at our pre-consultation meeting.

President Wright stated that we had been issued a Certificate from the Public Service Commission for the Jiggs-Lee area and this information had been forwarded to Washington by Attorney Vaughan. Also forwarded to Washington was a reply to telegram stating why we had substituted western red cedar poles for the transmission line instead of Douglas fir. Also requested by Washington and furnished was site from BEM for Wendover sub station. President Wright said that the reason he had not called a committee meeting to talk to Mel Lundberg about wheeling power for the Jiggs-Lee area was that he had talked to Mr. Lundberg in Elko at the public service commission hearing about arranging a meeting to discuss wheeling power

and Mr. Lundberg told him verbally that his company was not interested in such an arrangement. Following considerable discussion about Jiggs-Lee and the methods of trying to service the area, the following actions were taken, by motion duly made, seconded and unanimously adopted:

RESOLVED: That our attorney write a letter to Reed Gardner, head of the Nevada Power Company at Las Vegas, asking for a rate schedule for resale and a wheeling power rate. Copy of this letter to be sent to the head of the Public Service Commission.

The President will talk to the people of the Jiggs-Lee area and set a meeting date at the Jiggs Hall to meet with these people in regard to their power needs. All board members will be advised of the date and as many as possible should plan to attend.

Following discussion, Eyer poies moved that expenditures of \$25.00 or more brought up at a regular meeting be held in abeyance and acted upon at the next meeting. Arthur Crock seconded. Motion carried.

Manager stated that he had been contacted by purchaser of Stan Potts ranch in Clover valley of a large pumping and expansion planned for that area. No action was taken until further information, location and needs are learned.

By Applications for membership from 13 users were received and approved.

The manager stated that he had been contacted by the Union Pacific Railroad about furnishing power to Delaplain station. This would require expending approximately \$8,000. for three users at a cost of \$37.50 per customer.

There being no further business to come before the board, upon motion duly made, and seconded and unanimously adopted the meeting was adjourned at 11:00 P.M.

John W. Moschetti
John W. Moschetti
Secretary

Approved:

Robert R. Wright
Robert R. Wright, President.

MEMBERSHIPS TO BE APPROVED APRIL 6, 1962

R. M. Birdzell	Wells, Nevada
C. E. Gress	Wells, Nevada
Bob Emery	Wells, Nevada
Jack Fawcett	Ruby Valley, Nevada
Mrs. F. A. Flynn	Wells, Nevada
T. J. Kendig	Wells, Nevada
Gary L. Neilson	761 Oak St., Elko, Nevada
Arnold Paskett	Box 651, Wells, Nevada
Ted Sewell, Cloverleaf Pet Dairy	623 South State St., Salt Lake City, Utah
Roy Smith	Box 274, Wells, Nevada
Union Pacific RR Co.	Pocatello, Idaho
Louise Williamson	Box 242, Wells, Nevada
Ira D. Wilson	Wells, Nevada

WRITTEN CONSENT TO TIME AND PLACE OF
SPECIAL MEETING OF DIRECTORS

OF

WELLS RURAL ELECTRIC COMPANY

The undersigned being the Directors of Wells Rural Electric Company do hereby unanimously favor and consent to the holding of a Special Meeting of the Directors of the Wells Rural Electric Company to be held at Office Office in the City of Wells, County of Elko, State of Nevada on the 6th day of April, 1962 at 7:30 P.M. of said day and do hereby further waive any and all notices of any kind or nature of said date and place of meeting.

Dated this 6 day of April, 1962.

<u>Robert R. Knight</u>	<u>Blaire Hays</u>
<u>John W. Mordock</u>	<u>Norma Deltis</u>
<u>Wesley N. Borer</u>	<u>Arthur Stark</u>
<u>Richard D. Hill</u>	<u>E. E. Dean</u>
<u>John Smith</u>	<u>Lawrence C. Sweet</u>
<u>Samuel S. Ballou</u>	

WAIVER OF NOTICE OF SPECIAL
MEETING OF BOARD OF DIRECTORS
OF WELLS RURAL ELECTRIC COMPANY

We, the directors of WELLS RURAL ELECTRIC COMPANY (hereinafter called the "Corporation") waive all notice of the time, place and purpose of a special meeting of the board of directors to be held in lieu of regular April meeting, and fix the offices of WELLS RURAL ELECTRIC COMPANY, in the City of Wells, State of Nevada, as the place, and the 6th day of April, 1962, at 7:30 o'clock, P.M., as the time for the holding of such meeting for the purpose of acting upon:

1. The authorization of the execution of an agreement with United States of America (hereinafter called the "Government") acting through the Administrator of the Rural Electrification Administration, adjusting, with respect to a certain note dated May 9, 1959, issued by the Corporation to the Government, the repayment schedule with respect to amounts which may hereafter be advanced to the Corporation by the Government.
2. The authorization of the execution of an agreement with United States of America (hereinafter called the "Government"), acting through the Administrator of the Rural Electrification Administration, which will amend in certain respects the loan contract with the Government, dated as of May 8, 1959, as heretofore amended, and will provide for an increase of not to exceed \$1,108,000 in the aggregate amount of the loans, to finance the construction and acquisition of additional electric transmission, distribution and service lines by the Cooperative and the operation of its System;
3. The authorization of the execution and delivery by the Cooperative of a note payable to the order of the Government in the principal amount of \$1,108,000, bearing interest at the rate of two per centum per annum, providing for the payment of the indebtedness evidenced thereby within 35

years and to be issued under and secured by the deed of trust, dated as of July 10, 1959, as amended and supplemented, heretofore executed by the Cooperative and delivered to First National Bank of Nevada as trustee;

4. And such other matters as may come regularly before the meeting.

IN WITNESS WHEREOF we have hereunto set our hands this
6th day of April, 1962.

Robert R. Wright
ROBERT R. WRIGHT

Blaine Sharp
BLAINE SHARP

Charles C. Read
CHARLES C. READ

Herbert M. Uhlig
HERBERT M. UHLIG

Roger Smith
ROGER SMITH

Eyer H. Boies
EYER H. BOIES

James L. Ballard
JAMES L. BALLARD

John W. Moschetti
JOHN W. MOSCHETTI

Vernon Dalton
VERNON DALTON

Arthur E. Grock
ARTHUR GROCK

Clarence Swett
CLARENCE SWETT

being all the directors of
WELLS RURAL ELECTRIC COMPANY
without exception.