

REGULAR MEETING OF THE BOARD OF DIRECTORS

OF

WELLS RURAL ELECTRIC COMPANY

18 AUGUST 1967

A regular meeting of the Board of Directors of WELLS RURAL ELECTRIC COMPANY was held in the Company office in Wells, Nevada on 18 AUGUST 1967 at 1:00 P.M.

The meeting was called to order by James L. Ballard, Vice President, who presided, and Clarence Swett, Secretary, acted as Secretary of the meeting.

Upon calling the roll the Secretary reported the following Directors present: JAMES L. BALLARD, CLARENCE SWETT, C. C. READ, VERNON DALTON, MRS. J. B. WINES, RAY CRAWFORD, MATT SMITH, AND TOM ACHURRA.

Absent were: Robert R. Wright, Arthur Grock, Eyer Boies and Manager Blackett.

Also present were F. T. Murphy and Fred Toombs, and Attorney Vaughan.

The minutes of the last meeting were approved as written.

Mrs. Wines was introduced and welcomed to the Board by James L. Ballard.

Discussion of the Federal Power Commission hearing was held at the end of the meeting when Attorney Vaughan was present.

We are still awaiting payment for the Highway Change East of Wendover. Mr. Murphy offered to find out why payment is being held up.

Mr. Murphy reported that 2 lines at Lee and one at Jiggs have been completed.

Vernon Dalton suggested that something be done to light up the new office building at night to show it off. Matt Smith suggested that the shrubbery and curb could be done at the same time. C. C. Read pointed out it would be an idea to have lighting installed under the overhang. It was brought out that most businesses leave the lights on in the building. Utah Power and Light leave all their lights on.

Fred Toombs reported on Power Use. Gene Supp is going to take the Serviceman-Wireman position for Wells and Wendover. He is satisfied with the proposal and everything. The state licensing for the Company and the truck have not come through yet.

Operations at the Tungston mine are in progress. They will employ about 8 people and if the Tungsten price holds up will employ 25. They are putting up the money for the line extension.

Bud Reynolds is looking into the possibility of a feed mill and feed yard. Fred will report further on this. The mill will be on a large power schedule.

Fred read a letter dated 16 AUGUST 1967 from Ross Clay Advertising concerning the brochure "Why Rural Electric Cooperatives?" They sent 1500 copies to mail to all consumers and city officials. The cost is 15¢ a copy plus mailing would mean about \$385.00 to the Company.

MOTION made by C. C. Read and seconded by Ray Crawford that we pay for the brochure "Why Rural Electric Cooperatives?" and distribute it to all consumers as suggested in the letter from Ross Clay Advertising. Motion passed.

Discussion was held on the Key Indicator reports. It was mentioned that the percentages in these reports should be left out and the actual figure used instead.

Discussion on the Key Indicator "PERCENT MEMBERS READING NEWSLETTER AND OTHER PUBLICATIONS" brought out that perhaps a survey could be sent out with the nomination notices to about 40 people then next year use the same 40.

Matt Smith brought out that concerning Employee Training and Development, employees should be trained for higher responsibility.

The appraiser's report on the building in Wendover came. The building is worth \$73,750.00. This is a value based on the appraisal of various properties within the limits of Wendover. On the market the building would sell for \$50,000.00. If we build, we will need an office, a warehouse, and a place to sleep six. A barrack type sleeping quarters would house the linecrew when work is to be done in Wendover. This would cost about \$55,000.00 or as low as \$45,000.00 and still have the necessities. We lose money on the present building every year. Haines suggested that we put the building out on bid with the right to reject any and all bids.

It was suggested that we ask \$73,750.00 for the building to start with. It was decided that the property be purchased first before word got out that we were to build a new structure.

MOTION made by C. C. Read and seconded by Vernon Dalton that the Manager and the President of the Board be authorized to sell the present property at the appraised value and if there is a counter offer to bring this back to the Board and to purchase land not to exceed \$1,000.00 in value as a replacement property and to buy the new property before the office and apartments are sold. Motion passed.

MOTION by C. C. Read and seconded by Tom Achurra that the new memberships be approved. Motion passed.

Vernon Dalton, C. C. Read, and Matt Smith asked to go to the Advanced Institute III B at Vale, Colorado. Permission granted.

September 21, 1967 has been set for the Annual Meeting. Grant Sawyer, the suggested speaker for the Meeting, will be unable to come.

Bob Vaughan then reported on the Federal Power Commission Hearing. The Staff investigation was for the Test Year of 1965.

There was an overcharge of \$35,000.00. The rate for Wells should be  $6\frac{1}{2}$  mills. There would be a refund to the Company of \$38,000.00. Nevada Power would get a reduction of \$22,000.00. Attorney Vaughan also brought out that this would not be retro-active.

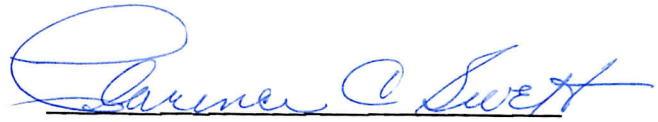
If we went to hearing, Attorney Vaughan figures we would get pretty close to Staff figure of 7.2 mills. We will hear next week whether Idaho Power will come close to settlement. Attorney Vaughan does not feel we would have to prepare any exhibits because Staff has already done it. It is up to the Commission to approve settlement.

21

AUGUST BOARD MEETING  
PAGE 3

The statement in the last newsletter that nominations could be made from the floor at the Annual Meeting should be corrected in the next newsletter.

Meeting adjourned at 3:30 P.M.

A handwritten signature in blue ink, reading "Clarence C. Swett", written over a horizontal line.

Clarence C. Swett, Secretary

APPROVED BY:

A handwritten signature in blue ink, reading "Robert R. Wright", written over a horizontal line.

Robert R. Wright, President

# WELLS RURAL ELECTRIC COMPANY

WELLS, NEVADA 89835

MEMBERSHIPS FOR APPROVAL ON 18 AUGUST 1967

## Wells

1. Cliff Peart
2. John J. Vasquez

## Wendover

1. Keith Chigbrow
2. Ralph W. Hendricks
3. Don Lopez
4. Donald E. Lusk
5. Ronald J. Mahoney
6. William J. Navarre
7. Daniel Pehl
8. Dirk L. Pendleton
9. Duane Ross
10. Kenneth L. Rumsey
11. Forrest S. Smith
12. Roger Smith
13. Robert H. Walton