

WELLS RURAL ELECTRIC COMPANY

Regular Meeting of the Board of Directors

A regular meeting of the Board of Directors of WELLS RURAL ELECTRIC COMPANY was held at the El Rancho Hotel, In Wells, State of Nevada, at 2:00 P.M. on the 19th day of December 1963.

The meeting was called to order by Robert R. Wright, President, who presided, and James L. Ballard, Vice President, acted as secretary of the meeting.

Upon calling the roll, the secretary reported that the following directors were present: ROBERT WRIGHT, JAMES L. BALLARD, EYER BOIES, CHARLES READ, ARTHUR GROCK, TOM ACHURRA, OLIVER SHARP, ROGER SMITH, CLARENCE SWETT AND VERNON DALTON. Also present were Manager George Blackett, ED KIPP of REA, C. A. Sewell and Mr. McLaughlin representing Trans Western Insurance Company and Robert F. Larson representing Employers Mutuals of Wausau.

Insurance bids from Northwestern Mutual, Transwestern Insurance Company, Firemens Fund, and Employers Mutuals for Liability Insurance were reviewed by Mr. Read and open discussion was carried on. Then bids for Position Bond were discussed.

Robert Wright moved that we accept the bid of Northwestern Mutual by the Ryan Insurance Agency for the General Liability coverage for all vehicles operated by the Company and for all liability of the Company. This to include Comprehensive coverage on all vehicles and for a term of three years with an annual premium of \$1,038.98 with coverage to be effective December 20, 1963. Roger Smith seconded the motion. Motion passed.

Robert Wright moved that we accept the REA Blanket Crime Bond offered by Employers Mutuals of Wausau for three year term with a premium of \$703.15 for the three years. Motion seconded by Clarence Swett. Motion passed.

George Blackett agreed to investigate collision and upset coverage for the digger truck with local agents and report to the board at the next meeting.

Ed Kipp opened discussion of REA Bulletin 100-3. Subject - Members Service Program.

Next Ed Kipp presented a financial forecast of expected growth, expenses and power consumption etc. A Review of rates was also presented and a proposal for a reduction of the Small Commercial Rate.

Charles Read took up a discussion on a rate reduction which was very good and thorough. He suggested that all amortization payments be discontinued except that all agreements for one year or more would be in force for one year.

He proposed to set the minimums at \$15.00 per month for ranches, \$5.00 per month for Rural Residences and charge each consumer in the Jiggs-Lee area enough to offset the wheeling charge paid to Nevada Power Company which would amount to \$3.00 per month for each ranch or commercial consumer and \$1.00 per month for each rural residence. He then presented graphs on the current rates and the proposed rates.

The rate comparison was as follows:

Current	Proposed
COMMERCIAL	
First 100 KWH @ .09	First 100 KWH @ .09
Next 400 KWH @ .07	Next 200 KWH @ .06
Next 1000 KWH @ .055	Next 700 KWH @ .03
Next 1500 KWH @ .035	Next 1000 KWH @ .025
Over 3000 KWH @ .03	
TOWN RESIDENTIAL	
First 25 KWH @ .09	First 25 KWH @ .09
Next 50 KWH @ .064	Next 50 KWH @ .06
Next 175 KWH @ .035	Next 175 KWH @ .03
Over 250 KWH @ .02	Over 250 KWH @ .02
RURAL RESIDENTIAL	
First 100 KWH @ .09	First 50 KWH @ .09
Next 100 KWH @ .06	Next 100 KWH @ .06

Next 200 KWH @ .03  
Over 400 KWH @ .02

Next 350 KWH @ .03  
Over 500 KWH @ .02

LARGE POWER

50% load factor .02 (Residential end rate).  
100% load factor .015 (3/4 Residential end rate).

It was decided to think about this and bring it up for consideration at the next meeting.

The Secretary then read the minutes of the last meeting and they were approved as read.

Manager Blackett read a financial report up to December 1.

Manager Blackett brought up the point that Amendment No. 1 to Contract 8X ~~is~~ had not been approved for the Jiggs-Lee area.

Tom Achurra moved that this amendment be approved. Seconded by Eyer Boies. Passed.

Final payment on Contract 8X was brought up as the final inspection had been made on this contract and the work completed.

James L. Ballard moved that this contract be approved for final payment. C. C. Read seconded the motion. Motion passed.

The membership for La Mont Stuart was approved by the board.

The final statement of engineering fees was discussed, on Contract 5E. The total billing was \$72,520.96 with \$66,883.65 being paid to date leaving a balance of \$5,637.31 due.

Charles Read moved that this statement be tabled until the next meeting. Vernon Dalton seconded the motion. Motion passed.

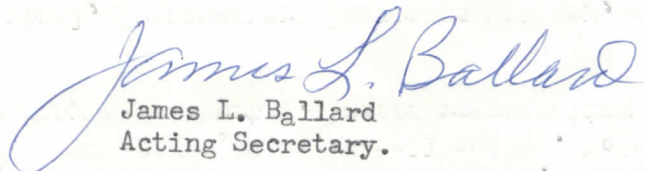
After discussion of appliance selling at Wendover Eyer Boies moved that we discontinue the sale of appliances at Wendover. Motion seconded by Vernon Dalton. Motion carried.

C. C. Read moved that all appliances in stock at Wendover be sold at cost to a Wendover dealer if possible. If this is not possible then they will be offered to individuals with employees to have first chance. Second by Tom Achurra. Passed.

George Blackett brought up the problem of radio equipment at Wendover and in the digger truck. Suggested station in Wendover office and pickup at Wendover. Oliver Sharp moved that equipment for the Wendover office, pickup and digger truck be installed. Seconded by Eyer Boies. Motion Passed.

Roger Smith moved that a  $\frac{1}{2}$  ton pickup be purchased by bid and that bids be confined to Wendover and Wells dealers. Seconded by Clarence Swett. Passed.

Meeting adjourned at 7:20 P.M.

  
James L. Ballard  
Acting Secretary.

Approved:

  
Robert R. Wright, President

MEMBERSHIPS TO BE APPROVED DEC. 19, 1963

WELLS

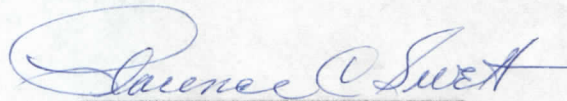
LaMont Stuart

WELLS RURAL ELECTRIC COMPANY

I HEREBY CERTIFY that I am the duly elected Secretary of the WELLS RURAL ELECTRIC COMPANY, a Nevada Corporation, and that the following is a true copy of a resolution duly adopted by unanimous vote of the Board of Directors of said Corporation, which meeting was held in the Company office, in the City of Wells, County of Elko, State of Nevada, on the 19th day of December 1963.

RESOLVED, that Construction Contract No. 8X, dated April 26, 1963, with Linebuilders, Inc. as amended by Amendment No. 1 to Contract No. 8X, be approved for final payment.

IN WITNESS WHEREOF, I have hereunto affixed my name as Secretary of said corporation and have caused the corporate seal of said corporation to be hereto affixed this 24th day of December 1963.



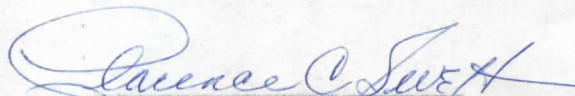
Clarence C. Swett  
Secretary

WELLS RURAL ELECTRIC COMPANY

I HEREBY CERTIFY that I am the duly elected Secretary of the WELLS RURAL ELECTRIC COMPANY, a Nevada Corporation, and that the following is a true copy of a resolution duly adopted by unanimous vote of the Board of Directors of said Corporation held in accordance with the By-Laws of said Corporation, which meeting was held in the Company office, in the City of Wells, County of Elko, State of Nevada, on the 19th day of December 1963.

RESOLVED, That those certain plans and specifications prepared by Associated Engineers, Inc. of Billings, Montana, and designated Amendment No. 1 to Construction Contract No. 8X, Nevada 15B Section 4.

IN WITNESS WHEREOF, I have hereunto affixed my name as Secretary of said corporation and have caused the corporate seal of said Corporation to be hereto affixed this 24th day of December 1963.



Clarence C. Swett  
Secretary