

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

December 19, 1975

The meeting was called to order at 9:00 A.M. by Jim Ballard, President, in the Wells office of the Wells Rural Electric Company. The minutes were taken by Tina Weeks. Those present were: John Krenka, Gene Pengelly, Vernon Dalton, Clarence Swett, Jim Ballard, Art Grock, Tom Achurra, Ray Crawford, and Bill Gibbs. Also present were: Don Snyder, Manager and Bob Vaughan, Attorney. Bob Wright and Glenn Wadsworth were unable to attend.

Additions to the Agenda: Consumer Problems to be added by Vernon Dalton; Sale of old Garage by Don Snyder; and the Election of the Vice President by Jim Ballard.

Policy Manual: Pages 30 through 70 were reviewed. A copy of the old policy manual will be brought to the next meeting by Bob Wright, to see if any policys were left out. This was brought up by Gene Pengelly for Bob. All corrections will be noted and corrected in one motion.

VERNON DALTON MOVED THAT WELLS RURAL ELECTRIC COMPANY TAKE A BOARD OF DIRECTORS AND EMPLOYEE ATTITUDE SURVEY IN 1976. IT WAS DECIDED TO HAVE N.R.E.C.A. DO THE SURVEY. CLARENCE SWETT SECONDED AND THE MOTION WAS APPROVED.

IT WAS MOVED BY VERNON DALTON TO REVISE THE EMPLOYEE SICK LEAVE POLICY AS FOLLOWS. COMMENCING JANUARY 1, 1976 ALL REGULAR AND FULL TIME EMPLOYEES SHALL BE ENTITLED TO 12 SICK LEAVE DAYS PER YEAR WITH PAY. UNUSED SICK LEAVE DAYS WILL BE ALLOWED TO ACCUMULATE. WHEN THE EMPLOYEE RETIRES THE COMPANY SHALL PAY THE RETIRING EMPLOYEE FOR ALL UNUSED SICK LEAVE THE RETIRING EMPLOYEE HAS ACCUMULATED. THE RATE OF PAY FOR UNUSED SICK LEAVE WILL BE COMPUTED BY AVERAGING THE DAILY SALARY OF THE EMPLOYEE THROUGH OUT THE PERIOD OF SICK LEAVE ACCUMULATION, TIMES THE NUMBER OF UNUSED SICK LEAVE DAYS. EMPLOYEES LEAVING THE COMPANY BEFORE RETIREMENT WILL NOT BE PAID FOR ANY UNUSED SICK LEAVE. JOHN KRENKA SECONDED THE MOTION. A VOTE WAS HELD, 5 FOR AND 3 AGAINST; GENE PENGELLY, ART GROCK, AND CLARENCE SWETT.

Construction: The transformer that was destroyed in Jim's Trailer Court was paid for by Jim's Casino.

Settlement with Idaho Power: Bob Vaughan, Attorney reported. He presented the agrument that Wells Rural will use. The trial date should be set in the first half of 1976.

New Service Center: The final inspection of the building will be done next week by the architect, Alton Dean Jensen.

Raft River Intertie: The papers have been signed and mailed.

Cancer Insurance: The cancer provisions in the proposed policy are presently covered in our major medical insurance coverage with N.R.E.C.A. It was agreed to drop this matter.

Employee Disability: A policy is needed on Employee Disability. Many different solutions were discussed between Bob Vaughan and the Board of Directors. It was decided to have Gene Pengelly discuss it at the N.R.E.C.A. Annual Meeting. A decision on the policy will be made at the February board meeting.

Ruralite Building: A letter was received from Ruralite on financing a new building. They suggest \$1 per consumer at 5% interest for 10 years. Anything over \$1 per consumer would be at 7½% interest. They need an answer by April 1, 1976. After a discussion GENE PENGELLY MOVED WE LOAN RURALITE SERVICES, INC. \$1 PER CONSUMER. CLARENCE SWETT SECONDED THE MOTION AND IT WAS APPROVED. ONE VOTE WAS AGAINST: ART GROCK.

Cost of Living Review: A thorough discussion was held and a comparison was made between Wells Rural Electric Company wages and the national average. VERNON DALTON MOVED THE EMPLOYEES RECEIVE A 10% COST OF LIVING INCREASE AND THE COMPANY PAY 100% OF THEIR MEDICAL INSURANCE PREMIUMS. GENE PENGELLY SECONDED AND THE MOTION CARRIED UNANIMOUSLY.

Performance Charts: All of the performance charts were reviewed. Bob Vaughan complimented Wells Rural on the system of charts that we are using.

Election of Vice President: Nominations were opened by Jim Ballard, President. Gene Pengelly nominated Vernon Dalton for Vice President. ART GROCK MOVED NOMINATIONS CLOSE, AND GENE PENGELLY SECONDED. THE MOTION WAS APPROVED UNANIMOUSLY. Vernon Dalton is the new Vice President.

Sale of Old Garage: The crew will be physically out of the old garage in January. Don requested a selling price. A release on the land from REA is also needed. VERNON DALTON MOVED THAT BOTH THE OLD BANK BUILDING AND THE OLD GARAGE BE PUT UP FOR BIDS. CLARENCE SWETT SECONDED AND THE MOTION CARRIED UNANIMOUSLY.

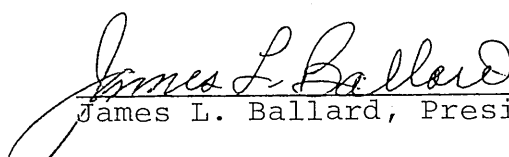
Consumer Problems: Vernon Dalton brought up the lack of pole top disconnect switches in the rural areas as a fire hazard. Don explained why many consumers do not have this type of disconnect switch. The main reason being, the cost. Ways of encouraging the installation of these switches were discussed. It was agreed to sell the pole top disconnect switch at the Company's cost to help encourage their use as a safety precaution in the rural areas in case of a fire.

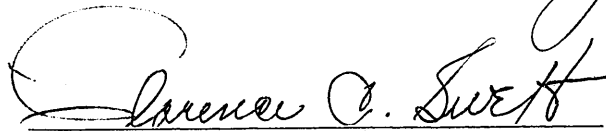
Mr. & Mrs. Butch Elton were named as the Ruralite Couple of the Year. It was decided to give the couple special recognition. A tentative date for the Dedication of the New Service Center and the presentation of the Ruralite Couple of the Year Award was set for January 17, 1976 from 7:30 P.M. to 9:00 P.M.. If there are conflicts for the 17th of January, the dedication will be January 24th.

The complaint filed with the Public Service Commission this year was reviewed.

The memberships were approved, 14 from Wendover and 4 from Wells. THE MOTION WAS MADE BY VERNON DALTON AND SECONDED BY GENE PENGELLY. THE MOTION CARRIED.

The meeting was adjourned at 3:00 P.M. The tour of the New Service Center was then held.


James L. Ballard, President


Clarence C. Swett, Secretary

MEMBERSHIPS TO BE APPROVED

DECEMBER 19, 1975

WELLS

1. Carl L. Chisham, Jr.
2. Mary Fialdini
3. Alan Scott
4. Dalton Wade

WENDOVER

1. John Bays
2. Don Berg
3. Bea Collins
4. Arthur B. Diaz
5. Amador Gonzalez
6. Dale Johnson
7. Helena P. LaBella
8. L. R. Leonard
9. Charles Langson
10. Martin Luna
11. Clifford Smith
12. Marie Smith
13. Ramon Solis
14. John Watson