

REGULAR MEETING OF THE BOARD OF DIRECTORS

OF

WELLS RURAL ELECTRIC COMPANY

A regular meeting of the Board of Directors of the Wells Rural Electric Company was held on December 16, 1960 at the company office in the City of Wells, County of Elko, State of Nevada at 8:00 P.M.

The meeting was called to order by Robert R. Wright, President, who presided and Eyer H. Boies acted as Secretary of the meeting in the absence of John W. Moschetti.

Upon calling the roll the Secretary reported that the following directors were present: ROBERT R. WRIGHT, JAMES L. BALLARD, ROGER SMITH, HERBERT M. UHLIG, C. C. READ, EYER H. BOIES, BLAINE SHARP, ART GROCK, CLARENCE SWEET. ABSENT WERE directors John W. Moschetti and VERNON DALTON. Also present was Manager George Blackett.

Minutes of the previous meeting were approved as read.

Manager Blackett gave the financial report which show operation results from June 1st to December 15th. \$62,196.44 was disbursed from Receipts of \$74,251.99 leaving a profit of \$12,055.55 for the period. At present there is \$22,105.55 in the bank. In the construction fund Manager Blackett stated that all payments due REA are paid. Interest due on December 31st is \$6,000.00. At present 1,383,000 dollars has been advanced by REA to date. \$1,246,092.05 has been spent leaving \$136,907.95 in the construction fund. 10% is always held back from construction payments.

Letter from John Myhre was read stated that Al Huber would be acceptable to REA as accountant if he used REA forms, etc.

Bob Wright stated that he had talked to Joe Bassick about repairing fences and Joe stated that he would send a man to repair fences immediately. Roger Smith reminded the Board of Bassick's original statement to the effect that he would repair fences immediately after they were torn down and his men went through with the line.

Wright then mentioned and read Chris Schulz' letter regarding Harold Dangerfield, REA Engineer. Blackett stated Bill Lines said that we can have any inspector we want. \$350.00 bill has been sent to Liquin by Bassick for time lost while his men were running Dangerfield around (cutting chunks out of wire, etc.) Blackett said that nothing was found wrong with the wire, it exceeded breakage tests and other tests. President Wright asked how the Board felt about Dangerfield. Smith said that we have made our decision and should stand on it. If REA feels differently that is their business. We just want an unbiased, fair final inspection. Read stated that we should ask for a different inspector when we are ready. Harold Leary of Grand Junction, Colorado was suggested. He supposedly will give 100% inspection but will also be practical and unbiased toward Bassick. Ballard stated we should let Ahrn know our feelings. Swett stated everyone on board would undoubtedly be skeptical of anything Dangerfield would tell us. Motion made by Smith and seconded by Sharp that an inspector other than Dangerfield be requested for final inspection.  
Carried unanimously.

Lee and Liquin ran a feasibility on line to Wilkins and concluded that three phase was not feasible at this time. Wright stated that the board had previously agreed to furnish the ada-phase units wherever they were necessary. Single phase line should handle 5 or 6-50 horse power pumps. Grube's pumps seem to be one 30-50 hp and one 50 to 70 hp. Wright stated that Liquin has only known of one ada-hase that didn't work. To three phase to Wilkins would require \$3,000. additional revenue per season or 500 total horsepower. \$25,000. would be cost of now making the line to Wilkins three phase. Manager Blackett stated that our present single phase line to Wilkins will not handle 300 horsepower of pumping in his opinion. Board came to general agreement to go along with Liquin on a single phase line to Wilkins until more power is needed in that area or until users sign up for \$3,000. additional pumping per season.

Board was informed that all of the local merchants are being paid currently by Bassick.

Liquin and Lee were here and discussed Wendover. Raft River Coop would lend us \$126,000. They would also amortize their share of their share of the transmission line to Oasis if we would sell them power at cost. Wright stated that he and Dalton went over to Wendover and found we could acquire needed option from McCloud. Fred Liquin had said that we might deal with McCloud for \$150,000. Wright stated board would want Mary's River and O'Neil to be submitted with Wendover. Liquin has figured that \$500. total from each area monthly would allow us to put a block of 4,000 KW

hours available to each. For each \$100.00 a subscriber would be allowed \$29.00 of power without additional charge. Wright stated that there is 2½ times the load in Wendover than we have in Wells. He feels we could clear \$118,000. at Wendover yearly if we continue to charge same rates. (Quoted from Liquin) Read stated that he felt same rates should apply to O'Neil and Mary's River as to other rural customers. Read made motion that we authorize Fred Liquin to submit application including Wendover, O'Neil and Mary's River to REA for their study. Motion also included we must previously have an engineering agreement regarding fees with Associated Engineers. Motion seconded by Ballard. Carried unanimously.

Blackett stated that he had discussed the Knoll Creek extension more with Torell. Board agreed to give this further study.

Smith asked what we should do about cooperators that have signed for power but do not want to accept it yet. Board agreed that these people will be notified that they will be billed for January. Those such signed up members will be allowed until 1st of January before their bill for minimum will begin.

Blackett stated that two-thirds of steel for sub station is up, 25% of needed material is on hand.

Ballard made motion that individuals be re-imbursed for expenses he occurred that should have been done by line contractor according to expense allowed to contractor for such job. Seconded by Read. Unanimously carried.

Read inquired about our diesel generators. He stated Liquin could sell these in a matter of time. Read also stated that we are paying insurance and other hidden costs on these items. Board decided to discuss this again later.

Read inquired about line extension to Wells cemetery. Blackett agreed to inform the City Council of cost, etc. before their next council meeting. He also stated that he would attend their next meeting.

Rytting has 3 phase motor at bottom of his well. Seems he is upset. Read inquired if Vaughan & Hull had money still coming. We are just awaiting a bill Blackett stated.

Inquiry made as to results of Supreme Court Hearing per White Pine Power Corp. Same old story. We can expect a verdict by first of year according to Wright.

Blackett stated telephone company is investigating different possibilities. They are going to suggest a joint use of pole rate.

Charlie Nannini has a complaint regarding our trailer court rates. Board agreed there was little we could do to relieve him.

Smith inquired as to our plan of making REA money available to our customers for buying electrical appliances and equipment. This falls under REA Section 5 and costs us 2% and we will probably have to charge 4%. Smith made a motion that Wells Rural request \$50,000. of Section 5 funds per proper REA form and that we make this information available to the public through the local press or individual letters. Boies seconded. Motion unanimously carried.

President Wright read attached list of newly signed members. Ballard moved that list be approved as read. Seconded by Swett and unanimously carried. This now gives us 296 memberships signed to date according to Manager.

Meeting adjourned at 11:19 P M.

Eyer H. Boies  
Acting Secretary

Approved:

(President)

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LIST OF SIGNED UP MEMBERSHIPS WHICH HAVE NOT BEENAPPROVED TO DATE

Frank C. Berry  
William M. Booton  
Gideon B. Bowerman  
Albert Chaponis  
J. C. Cory & Son  
Manuel DeLeon  
Ercell B. Disney  
Peter Donnelly  
Tony Escamilla  
Keith Gillespie  
Grock Bros.  
Ranch-House - Larry Griffiths  
S. J. Hargrave  
E. M. Harvey  
Ray Hepworth  
Jess Higley  
Ida's - Helen Smalley  
Carl Jardine  
Waldo Jones  
F. E. Kimberlin  
Lucille Knighton  
Tony McDermott  
Thomas L. Mease  
Duffie I. Morrow  
H. L. Murphy  
Edith Myers  
Ralph Ortiz  
H. W. Owen  
Sidney Paskett  
Ramona Pete  
Lois Phalan  
E. M. Powers  
John W. Prescott  
Robert D. Priest  
Smiley's Shell Service  
Southern Pacific Co  
Dell Thorne  
George W. Tilbury  
Fred Toombs  
John Toombs  
TV Pix, Inc.  
Tobe Vigil  
R. B. Walker  
Wells Port of Entry  
Wells TV, Inc.  
William D. Widmer  
Gordon Wines  
*Sam Littlejohn*