

REGULAR MEETING OF THE BOARD OF DIRECTORS

OF

WELLS RURAL ELECTRIC COMPANY

16 FEBRUARY 1968

A regular meeting of the Board of Directors of WELLS RURAL ELECTRIC COMPANY was held in the Company office in Wells, Nevada on 16 FEBRUARY 1968 at 1:00 P.M.

Upon calling the roll the secretary reported the following Directors present: ROBERT R. WRIGHT, JAMES L. BALLARD, C. C. READ, MRS. J. B. WINES, RAY CRAWFORD, VERNON DALTON, ARTHUR GROCK, TOM ACHURRA, AND EYER BOIES.

Also present were: Manager Blackett, F. T. Murphy, F. Toombs, Attorney Robert Vaughan and Mr. Mel Lundberg of Nevada Power.

ABSENT WERE: C. C. Swett and Matt Smith.

The minutes of JANUARY 1968 were approved as corrected: on page 2 paragraph 8 the word "permanently" should be included at the end of the motion. Also, Mr. Bill Bellinger's name should have an "e" instead of an "a".

8 MOTION made by Jim Ballard and seconded by C. C. Read that the new memberships be approved. Motion passed. There were 6 new memberships for Wells and 2 for Wendover.

Concerning the Federal Power Commission Hearing Attorney Vaughan is preparing testimonies and questionnaires to be filled out...

F. T. Murphy reported that approximately a two mile line will be run to the Curtis Ranch.

Mr. John Clawson inspected the building and made up a list which was taken up with Don Griffith. Mr. Griffith will get in touch with the painter and go over that which concerns him.

Fred reported that the truck for the serviceman was shipped on the 8th instead of the 2nd as was written in the Power Use section of the agenda. The B & W Garage has not received it yet and a check is being made.

Doug Mitchell has requested that he be served with electricity. Fred quoted him the minimum of \$235.00 which is in accordance with our Line Extension Policy. This additional load will cost us around \$20,000 of line. Mr. Mitchell has two places down there and one is in White Pine County and the other is in Elko County. The place we would serve will be in our area. As far as Fred knows there would not be any other loads down that way. Fred explained to Mr. Mitchell that our financial condition is not up to par. President Wright suggested that Mr. Mitchell be told that at the present time we are unable to give him anything less than what our Line Extension Policy States. This was agreeable to the Board.

Fred announced that the Stateline in Wendover is going into construction on a new structure and he would use commercial power if a suitable plan could be drawn up.

Fred would like to present Mr. Lloyd Meyers a gift in appreciation for his meeting the crew men when the power went off and showing them the place where it needed to be repaired. He saved us many hours of walking and labor.

MOTION made by Eyer Boies and seconded by Mrs. Wines to present Mr. Meyers with a gift. Motion passed.

Murph reported that Kaiser has requested that electricity be run to their 3 new pumps. This would consist of 8 1/2 miles of new line construction at an estimated cost of \$50,000.00. The location of the pumps would be South and East of the present Bonanza Salt Plant. All three pumps are to be metered separately at a minimum of \$4,400.00 per year. It was brought out that we could receive loan money back on this.

MOTION made by Vernon Dalton and seconded by C. C. Read that we get our ~~Loan Fund~~ Policy in order for the next meeting. Motion passed.

Fred has suggested to Western Marble a \$30,000 selling price for the engine. Fred is going to look into this matter further and plans a visit to the plant. No guarantee will be given when the engine is sold.

Mr. M. E. Lundberg of Nevada Power was present and wanted the Board's attitude concerning Nevada Power's proposal to serve the Northfork Tuscarora area. Nevada Power cannot serve this area without an REA Loan. C. C. Read suggested that a letter be written to the effect that we feel that Nevada Power has a power source and is better situated geographically to serve the Northfork Tuscarora area and we would concur in their application for loan funds provided that they can economically serve this area. Mr. Lundberg requested that this letter of intent be sent to Nevada Power with a copy for Mr. Woods. Attorney Vaughan drew up the letter of intent, read it to the Board and it was agreed upon.

The Irrigation Schedule of the Rate Study was discussed.
MOTION made by Eyer Boies and seconded by Arthur Grock that we adopt the REA Irrigation Rate. Motion passed: Jim Ballard, Eyer Boies, Arthur Grock, Robert Wright, Lourinda Wines, and Tom Achurra FOR and Ray Crawford, C. C. Read, Vernon Dalton AGAINST.

The electric heating and air conditioning rate was discussed. We would use the present Commercial and Residential rates as they stand and add the electric heating and air conditioning rate at 1 1/2¢ per KWH under separate metering. It was suggested that the 1.5 end rate on the existing loads for the Residential Rate be checked and the results brought back to the next Board meeting.

Wendover Gas Company has asked for an easement to be North-Easterly of our Wendover property. It will be an underground line going through the property.

MOTION made by Vernon Dalton and seconded by Tom Achurra that the Gas Line Easement be adopted. Motion passed.

The furniture for the office was considered by the Board. It was suggested that the employee choose the furniture he would like for his own office. Manager Blackett suggested that a trip be made to Salt Lake City to see the office furniture that Kelly Company has displayed.

The Budget was then taken up by the Board. The \$25,000 figure for the remodeling of the Wendover Office was changed to \$12,500.

MOTION made by Eyer Boies and seconded by Ray Crawford that the Budget for

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1968 be approved. Motion passed.

A discussion of dues in joining the Snake River Power Association was held. Manager Blackett figures approximately \$65.00 a month for dues.

MOTION by C. C. Read and seconded by James Ballard that we join the Snake River Power Association. Motion passed.

Concerning the matter of insurance for members, Manager Blackett is expecting a visit from Joe Williams next week and a report will be made at the next meeting. Mr. Ray Goicoa said to stay out of it unless you are forced into it.

President Wright suggested that if any Board Member will see Matt Smith to ask him about his position on the Board.

The latest news of Bill Bellinger and Roy Young's request for servicing power to the T. V. Translators is that Nevada Power offered to build the line free of charge with a very low minimum monthly charge. The quoted figure for Wells Rural to supply the power was \$200.00 a month.

The meeting adjourned at 5:15 p.m.



Secretary

APPROVED BY:



Robert R. Wright, President

MEMBERSHIPS TO BE APPROVED

16 FEBRUARY 1968

WELLS

Mr. Lloyd Beckett
Dan Fulton
J. B. Riddle
Jack Spellerberg
C. S. Thomas
Edward Whalen

WENDOVER

Thomas J. Palmer
Jules R. Pepple