

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 17th day of January 1964.

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 R. WRIGHT, JAMES L. BALLARD, VERNON DALTON, C. C. READ, CLARENCE SWETT, ART GROCK, BLAINE SHARP, EYER BOIES, OLIVER SHARP and TOM ACHURRA. Also present was Manager GEORGE BLACKETT.

Insurance bids for collision and upset coverage on the digger truck were opened. Bids were received from H. L. Page and A. K. Supp. It was moved by Oliver Sharp that the bid from A. K. Supp of Farmers Insurance Group be accepted providing the coverage was on the F600 digger truck and included digger attachments and utility body with a total value of \$18,000.00 Motion seconded by Clarence Swett. Passed.

Next bids on a half ton ~~pickup~~ pickup were opened and were as follows:

State Line Garage	292 Cu. Inch 6 cylinder Chevrolet	\$2308.94
	Standard 6 cylinder Chevrolet	2233.69
	V8 Chevrolet	<del>2202.85</del>
		2323.97
B. & W. Garage	Straight 6 cylinder GMC	2202.85
	V6 GMC	2231.33
Supp Motor	223 Cu. Inch 6 cylinder Ford	2143.51
	262 Cu. Inch 6 cylinder Ford	2204.71
	292 Cu. Inch V8 Ford	2250.61

James L. Ballard moved that the bid from B & W Garage for ½ ton GMC pickup with the V6 engine as per specifications in bid submitted be accepted. Seconded by Blaine Sharp. Passed.

Vernon Dalton moved to approve payment of \$5637.31 due on Engineering Contract 5E and the \$3661.93 due on Contract 7E to Associated Engineers. Seconded By C. C. Read. Passed.

Robert R. Wright and George Blackett reported on the meeting of the Utah Rural Electric Association they attended in Salt Lake City. They were favorably impressed by the reports, especially by the talk given by Clyde F. Ellis, Manager of NRECA.

It was decided to contact Mr. Ray Foleen of Bonneville Power Administration in regard to the possibility of purchasing power at some future date.

Blaine Sharp moved that Mr. Oliver Sharp be our representative to the Utah Rural Electric Association. Seconded by Clarence Swett. Motion passed.

A discussion was held on the annual dinner meeting of the Board member and wives and employees and wives. Clarence Swett was appointed chairman and the date was set as February 29 at 7:00 P.M. Chares Ballew, John Moschetti and Herbert Uhlig are to be invited and also our attorney Robert Vaughan and wife. Want to get a picture of all of the founding board members.

Charles Read moved that we contribute to the NRECA program of TNT (Tell the Nation the Truth) for advertising REA companies. Seconded by Clarence Swett. Passed.

Charles Read moved that Contract 3X be approved and that we override Mr. Dangerfield's condemnation of the poles and upset bolts. Pay all pertinent claims on project and make final documents. Seconded by James L. Ballard. Passed.

Vernon Dalton moved to settle with Associated Engineers for failure on transmission line due to engineering deficiency. It was agreed that WREC will be satisfied if Associated Engineers pay for labor, transportation and overhead. WREC agrees to stand cost of material. Seconded by Clarence Swett. Passed.

Oliver Sharp moved that we write off bad accounts which come to \$35.44 for Wendover when deposits are credited to accounts and \$269.74 for Wells. Seconded by Arthur Grock. Motion passed.

3 Three memberships were approved from Wells: David A. Buck, William R. Paxton and Robert J. Sallee..

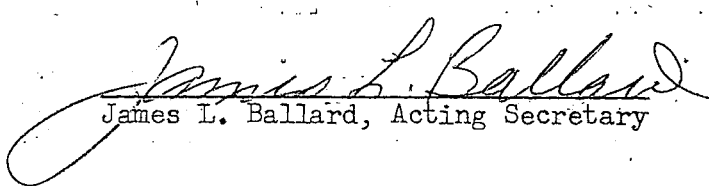
A committee consisting of Robert Wright, Art Grock and George Blackett was appointed to study possibility of joint use of poles for telephone service by individuals and to work up a proposal to be used between WREC and such individuals.

Charles Read moved that we retain Huber, Pickett & Hansen, CPA'S as our auditors with offices at 203 Taber Building, Elko, Nevada. Seconded by Tom Achurra. Passed.

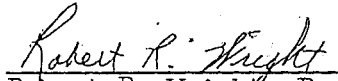
James Ballard moved that we enter into an agreement with Darrell Weeks for furnishing power to a stock water Wells. Approximate cost of extension estimated at \$500.00 and agreement to be for approximately ten years with an annual minimum of \$55.00 per Seasonal Rate Schedule. If contract is terminated in less than ten years Weeks is to pay the difference in cost less amount paid to date of termination and less salvage value of line. Seconded by Clarence Swett. Passed.

Chuck Read moved that the rate schedules be changed, in his proposal, to the following: At the present time Sections 1, 2 and 3 be adopted as they are; Section 4a to read: We incorporate all of 1a and in section 3a change the 3¢ bracket to 3.5¢. Section 4b to read: Further reductions in section 2 will drop 3a to 3¢. Add an electric heating rate of 1 3/4¢ after 1000 KWH in all electric homes. Seconded by Vernon Dalton. Passed.

Adjourned at 6:30 P.M.

  
James L. Ballard, Acting Secretary

Approved

  
Robert R. Wright, President

MEMBERSHIPS TO BE APPROVED JAN. 17, 1964

WELLS

DAVID A. BUCK

WILLIAM R. PAXTON

ROBERT J. SALLEE

RESOLUTION OF THE BOARD OF DIRECTORS  
OF  
WELLS RURAL ELECTRIC COMPANY

It is hereby resolved by the Board of Directors of Wells Rural Electric Company, as financial prospects for the Company are in such excellent condition as to justify substantial savings to the members of the Company in the immediate future, that the following overall plan of lower charges and rate reductions shall be established as the policy of the Company and shall be put into effect as the Board deems it suitable and as permitted by the Rural Electrification Administration and the Nevada Public Service Commission. In order of adoption, the steps of the plan shall be:

1. (a) Elimination of special amortization charges on the special contracts with consumers on the Marys River O'Neil and Jiggs-Lee lines. These charges to be eliminated on approval of the proper authorities or after one year of payment, whichever is later. New consumers on the stated lines are to be charged one years assessment (on a monthly basis) to equalize their status with existing consumers.
- (b) As special charges are being paid, and will continue to be paid, to the Nevada Power Company for the wheeling of power to the Jiggs-Lee area and whereas this charge is unique and to the advantage only of the users in the Jiggs-Lee area an additional charge in the amount of \$3.00 per ranch per month and \$1.00 per residence per month will be assessed on the monthly bills of users in the Jiggs-Lee area on elimination of the amortization charges in 1(a) above. This charge is to be reviewed annually by the Board to insure that the revenue produced shall be approximately the amount of the annual wheeling cost but that it shall not exceed such costs by an appreciable amount.
2. The present high minimums of \$25.00 per ranch and \$10.00 per residence per month on the rural lines shall be reduced to \$15.00 per ranch and \$5.00 per residence per month. The \$15.00 minimum shall also apply to users in the small commercial category now being charged the \$25.00 minimum on rural lines.
3. The following systematic rate schedules will be adopted:

	Schedule V Town Res.	Schedule A Rural Res.	Schedule B Small Comm.
9¢ Bracket	25 KWH	50 KWH	100 KWH
6¢ Bracket	50 "	100 "	200 "
3¢ Bracket	175 "	350 "	700 "
2¢ Bracket	Over 250 KWH	Over 500 KWH	Over 1000 KWH*

\* The end rate for Schedule B shall be 2.5¢, the residential end rate plus 25%.

- (b) The LP (Large Power) Schedule shall be the residential end rate at 50% load factor and shall be 75% of the residential end rate at a 100% load factor. This approximates the present contract rate and such rate will change only when the end rate is ultimately changed.

(c) The special rate schedules for government agencies and other commercial users shall be eliminated and such consumers shall be billed on Schedule B (Small Commercial).

(d) Schedules A-WH and V-WH will incorporate the changes in section 3(a) above by inserting a 400 KWH block at 1.4¢ immediately preceding the end rate of each schedule. A new rate schedule B-WH (Small Commercial Water Heater) will be added to incorporate this preferential rate encouraging the use of electric water heating.

4. In the probable event that all of Section 3 (Rate Schedules) cannot be adopted at the same time due to excessive reduction in revenues to the Company, the following shall be the suggested order of reduction.

(a) Establishment of the 2¢ bracket (2.5¢ Small Commercial). Rural Schedule A to remain as it is to avoid increase in this bracket.

(b) Establishment of the 3¢ bracket. Rural rates (Schedules A and A-WH) to incorporate all brackets at this time.

(c) Establishment of the 9¢ and 6¢ brackets for V and B users. (Rural Schedule A being changed at the previous time).

(d) The above shall not be construed as preventing the adoption of water heating, irrigation, and electric house heating rates at any time subject to the approval of the Board and such other authority as is necessary.

RESOLUTION OF THE BOARD OF DIRECTORS  
OF  
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 Ranch Room of the El Rancho Hotel in the City of Wells, County of Elko, State of Nevada, on the 17th day of January, 1964

RESOLVED: That Huber, Pickett & Hansen, CPA'S Elko Nevada be retained as Auditors for Wells Rural Electric Company subject to the approval of the Rural Electrification Administration.

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 10th day of February, 1964.

  
SECRETARY