

REGULAR MEETING OF THE BOARD OF DIRECTORS

Of

Wells Rural Electric Company

21 January 1966

A regular meeting of the Board of Directors of the Wells Rural Electric Company was held at the Wagon Wheel in Wells, Nevada on 21 January 1966 at 1:00 P.M.

The meeting was called to order by Robert R. Wright, who presided and Clarence C. Swett acted as secretary of the meeting.

Upon Calling the roll the secretary reported the following directors present: ROBERT R. WRIGHT, ARTHUR GROCK, EYER BOIES, C. C. READ, OLIVER SHARP, BLAINE SHARP, THOMAS ACHURRA, MATT SMITH, VERNON DALTON, JIM BALLARD, AND CLARENCE SWETT.

Also present were Manager, George Blackett; Clarence Lee and Larry Baccari, representatives from Associated Engineers; Bob Vaughan, Attorney, and Jiggs-Lee representatives: Lillian Garcia, Chairman; Charles Malotte, Vice-President; Owen Tybo, Member of the Council; Raymand Yowell; Mr. Durham; and Alvin James, Representative of the Governor, and Mr. Murphy, Manager, Electric Operations and Engineering WREC.

The minutes of the last meeting were approved as corrected.

A MOTION made by Chuck Read that a prize be awarded to those cooperating 100% in reading their meters; to be drawn and presented at the next annual meeting.

A discussion was held concerning the servicing of the Jiggs-Lee area with electric power. A question arose about the minimum charge of \$15.00 or \$4.50. Murph pointed out that there are 15 members at Lee which would take about 10 miles of line to serve them at a cost of \$20,000 or \$2,000 a mile. Working from these figures it would cost \$13.00 a month if 15 people were classified as Rural-Residential.

Lillian Garcia reported that there are 15 people interested and who would be willing to pay \$10.00 for the electrical service.

It was brought out that a Public Service Representative will be in Wells to discuss the problem.

Mr. Durham explained that there are 13,000 acres which are tribally-owned. The land is all owned by the tribe and the people are each assigned a certain piece of ground. There are not individual ranches out there.

They are not actually leasing the land but they are paying rent, and housing development cannot commence until there is power and sanitarian facilities.

A question arose concerning delinquent payments and Lillian Garcia explained that if anyone became delinquent, the money would be taken out of the tribal-fund.

C. C. Read pointed out that it is the policy of the Wells Rural Electric Company to treat everyone fairly.

As a Representative of the Governor, Mr. Alvin James thought that we should clear up the matter of the right of way; if this is cleared up first, some agreement could be made on the amortization charge. He understands that the Wells Rural Electric Company does not have the right of way, yet.

It was pointed out by Murph that there would be 12 poles affected.

Matt Smith suggested that we give them a special rate.

Mr. Alvin James reported to the Board that a representative of the Public Service Commission will be coming over on the 24th and their engineer will be out here to investigate the service. Mr. James said they don't want to have any pressure brought on the matter.

A MOTION was made by Oliver Sharp and seconded by Tom Achurra that perhaps it would be better to take this up at our next meeting in February and in the meantime contact the Public Service Commission and get their feelings on it; also it would be a good idea to ask the ranchers about the amortization charge. We could advise Lillian Garcia of the outcome. Motion passed.

Jim Ballard suggested we decrease all ranchers to a \$10.00 minimum.

Clarence Lee and Larry Baccari presented Phase #1 of the Long Range Engineering Plan to be completed by 1972. The cost of Phase #1, the Wells-Metropolis Area, would be \$105,000 at present-day cost. Phase #2, the Ruby Valley Area, was presented. The Starr Valley line will change in voltage. The line between Wells and Deeth must be rebuilt and insulated for 14.4, still operate at 7200 to 1000 KWH. There are 25 miles here of single phase line. The transformers at the Hydro must be changed. Phase #2 should be completed in 1969-70. The Starr Valley line will be the earliest line to be constructed, there have been many outages on this line. Phase #3, Wendover Area is still in good condition.

There was a discussion of an underground system. The line must be buried 36". From a maintenance standpoint the shoulder of the road or the barrow pit are the safest places for this type of line. Starr Valley would be a good example for an underground line, however a system such as this is not feasible in the case of additional electrical loads.

Clarence Lee passed out a booklet of the Long Range Engineering Plan and Larry Baccari explained to the Board the expenditures for the total term and pages 16 and 17 were discussed. On page 19 is a breakdown of the cost over a certain period of time. An increase in consumption is explained in the back of the book, Annual operating costs are also explained.

A discussion developed on the budget and the financial figures for December 1965. The Bonneville Ltd. power bill dropped 11,000 to approximately 8,000 for the months of November and December. This month there will be a further drop because last month processing was still going on at the plant. The energy charge dropped from 8,000 to 5,000.

The revenue for this year will be \$493,337.98.

C. C. Read felt that a budget should be a goal or an objective that a person should want to obtain.

A MOTION made by Eyer Boies and seconded by Tom Achurra that the budget with the approved changes be adopted. Motion passed.

Manager Blackett read a letter from the Ibapah area. There are 68 people with 120 to 130 miles of line running from Wendover to serve them. The area of coverage would not apply to these people. Mr. Ed Kipp might have some additional information on this.

Employment Practices were then discussed. Manager Blackett pointed out that the holidays should conform with the Chamber of Commerce.

A MOTION was made by Matt Smith and seconded by Blaine Sharp that if an employee is fired for cause that he need not be given any advance notice, that he would be immediately dismissed. If an employee is laid off he should be given at least a two weeks notice in advance. Motion passed.

A MOTION made by Jim Ballard and seconded by Eyer Boies that the Employment Practices be approved with the corrections, as outlined. Motion passed.

Robert Vaughan explained to the Board that it would be a good idea to intervene in the Federal Power Commission Hearing regarding Rate Schedule #30. (48)

A MOTION made by Vernon Dalton and seconded by Matt Smith to intervene in the Docket #7229 before the Federal Power Commission regarding Rate Schedule #30.

The Working Capitol and Reserves were presented by Manager Blackett. A MOTION made by C. C. Read that it be a policy in the Cooperative that major construction items be paid for out of the loan funds, if possible. Motion seconded by Vernon Dalton. Motion passed.

A MOTION made by C. C. Read and seconded by Vernon Dalton that the Working Capitol and Reserves paragraph "II-A-1" be changed from 44,000 to 25,000 and "2" shall remain as it is. Paragraph "A-3" shall be changed to "B-3" and the words "in savings account" added at the end.

A MOTION made by Clarence Swett and seconded by Oliver Sharp that the adoption of the Working Capitol and Reserves be approved. Motion passed.

Mr. Blackett reported payment received of \$1600.00 on the Line East of Moore. He read a letter inviting Board Members and those interested to a Bonneville Power Meeting to be held on the 1st and 2nd of February 1966. It was also announced that the class "Good for All Americans" will be held on the 17 or 18 February 1966. There should be advertisement made on this class.

A MOTION made by C. C. Read and seconded by Clarence Swett to postpone the February Board Meeting to one week later if the "Good for All American" class should fall on the Board Meeting date. Motion passed.

A MOTION made by Jim Ballard and seconded by Clarence Swett to approve the new memberships. Motion passed.


A MOTION made by C. C. Read and seconded by Oliver Sharp that the "Write-Offs for 1965" be written off except for Western Pacific. Motion passed.

A MOTION made by Eyer Boies and seconded by Jim Ballard that the season be eliminated on stock water pumps and those consumers on the seasonal-rate be put on the A-1 rate as long as they pay the \$54.00 minimum.

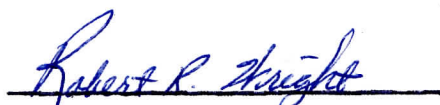
A MOTION was made by Matt Smith and seconded by Jim Ballard that we advertise in the Salt Lake, Reno, Boise papers for a Power Use Man. Motion passed.

Mr. Wright pointed out to those present that all consumers should be advised of the recent water heater blow-ups and that a relief valve should be put on all water heaters whether gas or electric.

Meeting adjourned at 6:30.


Clarence Swett, Secretary

APPROVED:


Robert R. Wright, President