

REGULAR MEETING OF THE BOARD OF DIRECTORS

OF

WELLS RURAL ELECTRIC COMPANY

15 JULY 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 15 July 1966 at 1:30 P.M.

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

Upon calling the meeting to order the secretary reported the following Directors present: ROBERT WRIGHT, MATT SMITH, C. C. READ, CLARENCE SWETT, RAY CRAWFORD, AND EYER BOLES. Absent were: Arthur Grock, Thomas Achurra, Jim Ballard, Vernon Dalton, and Blaine Sharp.

Also present were Mr. George Blackett, Manager and Attorney Bob Vaughan; Ibapah representatives: Mr. Stewart Sheldon and Gerald Cook, were at this meeting.

Mr. Wright asked if there were any corrections to the June minutes; they were approved as written.

Mr. Wright introduced Mr. Sheldon and Mr. Cook to the Board, and time was then given to these men. They wanted to know if we could furnish power to the Ibapah area.

Mr. Blackett explained to them that we would have to charge everyone there \$54.00 a month. We are still trying to find another way to bring electricity to this area. Mr. Blackett wrote a letter to Mr. Hicks the other day explaining all this. We are also waiting to hear from Mr. Ed Kipp. We consider the \$54.00 a little too steep; so far this is the best we can come up with.

Mr. Wright told the men we would do our best to find a way where the people can afford it, if at all possible.

Mr. Sheldon was then asked about the indians in this area. Most of the indians are on welfare, and in order to furnish them service you will have to work it through the tribal council.

Mr. Blackett reported that there were about 25 customers in the indian area and about 130 miles of line. The Dugway route does not necessarily shorten the distance.

It was brought out by Mr. Wright that if we can't reduce the \$54.00 a month it doesn't seem like we will be able to make it work.

Mr. Sheldon was asked how much he thought the ranches could afford. He had no idea.

Mr. Read suggested that Mr. Sheldon and Mr. Cook ask the people how much they would be willing to go then to report this back to the board. The men said they would do this.

Mr. Wright asked the Ibapah representatives to please let us know if they heard of any new loads for their area. The men will do this. Mr. Sheldon believes that after they get service, there would be a lot of power used in the way of irrigation pumping. There are a lot of mines and we figured that once there was service available these mines would use a lot of power.

Mr. Wright asked for any corrections on the Financial Statement and the Power Supply Report.

Mr. Smith wanted to know if it would be possible to let the Board know every month whether the ratchet is moving up or down; this could be included on the Power Supply Report. Mr. Blackett said it could. We are trying to find a more effective way of reporting the outages. The Board felt the report to be very satisfactory as is, however there was one comment that the "consumer hour" did not mean very much to him.

It was reported by Mr. Blackett that Murph went to Lee on the 11th of July; Mr. Blackett has not received any definite figures from him yet. The last word was that the council was going to pay all the membership fees.

The building plans should be here about the first of next week. Mr. Wright asked if it was to be left in the committee's jurisdiction and how the building was to be paid. The plans might have to be sent to Washington and will be more time consuming. If we have the money in General Funds, why not go ahead and pay for it.

Mr. Read suggested that we keep General Funds in as good a shape as we can. We might not be able to borrow later.

The building will cost approximately \$60,000; roughly \$2400.00 a year to pay it off.

MOTION made by C.C. Read and seconded by Matt Smith that Loan Funds be used for the building, if possible. Motion passed.

The questions: "What steps will we go through to secure this money?" and "Will we let this out on bid? or will this be negotiated?" No definite agreement made. Ed Kipp said we don't have to have R.E.A. approval on the building but he felt it would be a good idea.

Power Use was then discussed. The new bulletin board is being worked on and it will take the place of the one at the Post Office in Wendover. Fred has an appointment in Idaho to get going on the cooking class which we want to start in September.

Mr. Read brought out that Mr. Gus Vogeler wants to build a warehouse for refrigeration to store frozen and non-frozen produce in. It will take about 100 KW of power; Mr. Vogeler will have a payroll of 5-10 people. He does not like our rates particularly the ratchet. He will build where he can get the power at the cheapest rate. He could get by with about 12-12½ or even 14 mills of power with a 90% load factor. Mr. Read thinks it would be a good thing to check into this matter.

MOTION made by Matt Smith and seconded by Ray Crawford that Mr. Blackett see to it that Mr. Gus Vogeler is contacted. Motion passed.

Mr. Smith asked if we could schedule a quarterly meeting with our Attorney to discuss legal matters. Mr. Wright said he tries to come to our meetings; when he comes to Wells he has other business to do and Mr. Vaughan has said he would come when he can.

Yard lights were then discussed. Mr. Blackett pointed out that at present we are having a little trouble in getting delivery on these lights, however there are one dozen now available and we would like to know who would like a yard light. There are several people in Jiggs who want them. Maybe a trip by Fred to contact these people would help.

Mr. Wright asked those present to suggest names to serve on the nominating committee. Three people to serve would be adequate. Their duty would be to approve nominations to see if the people meet the qualifications. The committee will need to have at least 1 or 2 meetings. Pete Marvel, Don Dean, Jess Ecton, Mr. Hinds and Don Griffith were some of the names suggested for the nominating committee.

MOTION made by Clarence Swett and seconded by Ray Crawford that the new memberships be approved. Motion passed.

The 138 KV line was discussed and it was suggested that we could have another tap off this line. They don't know how much power they are going to use.

Fred is having a lot of trouble with insulators being shot up and would like to know about offering a reward for anyone being caught. Some of the damage has been noted on the transmission line. A solution mentioned was to make those persons caught pay for the new insulators.

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Mr. Smith pointed out that with a reward they would know someone would be watching them, but a fine would not be quite so effective.

Also suggested was a \$50.00 reward leading to the arrest and conviction of persons seen shooting electrical property.

MOTION made by C.C. Read and seconded by Eyer Boies that the Manager be authorized to offer a \$50.00 reward leading to the person/s prosecution and conviction for damaging insulators. Motion passed.

Upon the arrival of Attorney Vaughan the Board asked what would happen if we broke our contract with Idaho Power Company. Mr. Vaughan asked if we were serious in this matter. Mr. Wright said if we cannot get an answer to this question then there is no use in our trying to get power from a different source. Mr. Vaughan will work on this and will report to the Board the results.

The By-Laws were then discussed. Mr. Vaughan has not made up copies as yet, but will do so as soon as possible so that we may have them for our August meeting.

The accident at the landing strip was then brought up for discussion. Attorney Vaughan pointed out that when you have your power line there and someone builds a landing strip there is no legal liability. He suggested that the poles be painted orange or in some way mark and identify poles. You should notify your liability carrier; it is their responsibility.

Mr. Blackett reported that the only damage the plane did was break the line wires, but the plane was totaled out.

Mr. Dale Morton should know something about this air strip. Mr. Blackett said he would just as soon have the line moved.

Mr. Wright asked, "If we change the power line right away would this make us look as though we were guilty?" The attorney's answer was no.

Attorney Vaughan read the changes made in the Kaiser contract for the three new pumps. Discussion was held on each change.

Mr. Blackett wanted to know if they stopped using pumps for three months would they pay the demand charge for those months?

The Attorney suggested that we take these changes up with them. We cannot give them anything different as far as our ratchet is concerned.

MOTION made by Eyer Boies and seconded by Clarence Swett that the recommendations made by Attorney Vaughan concerning the Kaiser Contract and the letter of 15 JULY 1966 be approved. Motion passed.

Mr. Blackett announced that Associated Engineers have changed hands. Fred is promotion man now. No further details about this.

Mr. Blackett received a call from Moon Lake asking if some one would like to represent our Company to meet with Representative Burton at the meeting to be held at 4:00 concerning the New Financing Bill for R.E.A.

Mr. Wright suggested that we send a letter to the Representative to get his support on this bill instead of sending some one to the meeting. All agreed.

Auditors were then brought up for discussion by Mr. Smith. He reported that Mr. Cavanaugh will not be licensed in the state. Mr. Smith asked Judy Uhlig to read Mr. Cavanaugh's letter to the Board.

The Board agreed that in order to have a complete report it would be best to have someone licensed in the State of Nevada. The committee will look for another auditor. Mr. Smith asked the members what they wanted in an auditor. Mr. Wright would like the audit to be thorough and in a detail which could be understood. The Board agreed that the audit should include the auditor's suggestions for improvements.

Mr. Read pointed out that operating efficiently is very important. Ed Kipp could give us information as to how our operation works and where we need attention.

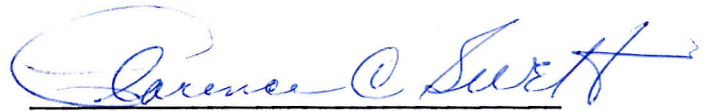
Mr. Smith asked if a meeting could be set up with Ed Kipp, Eyer Boies, Vernon Dalton, and himself to ask Mr. Kipp questions so as to help the committee find a suitable auditor or come up with a policy to present to the Board. Mr. Blackett will call him 16 JULY 1966.

Mr. Read would like to attend Institute IV and Advanced Institute II in Vale, Colorado next month. These classes would take about 4 days. The applications must be sent in one week and 1/2 before.

The next meeting to be held 19 August 1966.

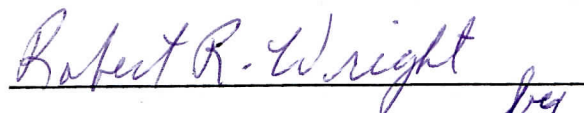
Mr. Wright read a letter from the North Eastern Nevada Historical Society Building Committee asking for a \$500.00 donation. No decision made on this.

Meeting adjourned at 4:15.

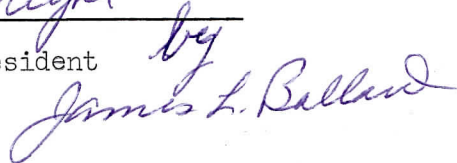


Clarence C. Swett, Secretary

APPROVED:



Robert R. Wright, President

by


WELLS RURAL ELECTRIC COMPANY

WELLS, NEVADA 89835

MEMBERSHIPS TO APPROVE 15 JULY 1966

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WELLS

T. R. Blocker
Robert B. Daniel
Ed. L. Cope
Edwin L. Goodwin
Quention Johnson
T. Knobbs
Glendon McAllister
Tom G. McGinnis
Charles Tveidt

WENDOVER

Larry Barney
Verland Bills
Lee T. Cook
Herb O'Hanlon