

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 Company Office in Wells, State of Nevada, at 7:30 o'clock P.M. on the 19th day of July, 1963.

The meeting was called to order by ROBERT WRIGHT, President, who presided, and JOHN W. MOSCHETTI, Secretary, acted as secretary of the meeting.

Upon calling the roll, the secretary reported that the following directors were present: ROBERT WRIGHT, JAMES BALLARD, VERN DALTON, CHARLES READ, ARTHUR CROCK, HERBERT ULLIG, CLARENCE SWETT, EYER BOLES and JOHN MOSCHETTI. Absent were ROGER SMITH and BLAINE SHARP. Also present were Manager George Blackett and Attorney BOB VAUGHAN and delegation from California Pacific Utilities of Attorney ORVILLE WILSON, R. E. PILLOUD, J. BOYER and MR. BRIGHT.

President Wright called upon the visiting delegation from California Pacific as the first order of business. Reports were given of meetings to date and efforts being made to work out a joint pole use arrangement so that patrons of Jiggs Lee area can be provided with telephone service in addition to electricity. There appeared to be quite a variance in cost estimates and it was suggested that engineers and contractors arrange a meeting to see if a joint use arrangement can be worked out and work done while the present crew is in the area which should reduce costs. California Pacific felt that they should have a "free use" privilege on poles and members felt this would start an unfavorable trend for future usage of poles.

Following departure of Cal-Pacific delegation, the secretary read the minutes of the last meeting which were approved.

Manager Blackett gave the financial report which shows the company to be in good financial shape. A savings account of \$40,000. has been set up at the First National Bank of Nevada in Wells. Consideration is to be given to Nevada Bank of Commerce at Elko when further savings accumulate.

President Wright read letter from Director Diddle and loan fund audit report prepared by Carl W. Blair, RIA accountant as of March 31, 1963. Minor items were noted by the board and the audit report approved and made a part of these minutes.

Attorney Vaughan reported on the meeting with Jiggs Lee people and read copy of the Agreement for Purchase of Power and Application for Membership proposed for these applicants showing about 27 signed up members with amortization charge of approximately \$20.00 each and one at \$8.00 and two places in doubt. Following discussion, motion was duly made, seconded and unanimously adopted as follows:

RESOLVED: That WREC approve the Jiggs Lee applications as submitted and that in the cases of Rose and Zaga that they pay \$10.00 per month for extra residences for a period of one year and then as power is used. Copy of application to be attached to minutes.

Attorney Vaughan stated that the power contract had not been received from Nevada Power Company offices in Las Vegas where it was sent for signatures of President and Secretary.

Attorney Vaughan said that he has begun complete work 40 by 40 on rights of way for our entire company and at present has almost 90 pages of rights of way work completed.

Letters are still being written about poles but no action to date. It is hoped that Dangerfield can meet on the ground with Baxter people and help resolve the matter.

Application for overhead crossing on Western Pacific tracks near cemetery in Wells was approved.

4
Four membership applications were approved.

Chuck Read moved that if terms are suitable that savings amounts be split between the First National and Nevada Bank of Commerce. James Ballard seconded. Motion carried.

Manager Blackett stated that 6 Mile Ranch about 2 miles south of Maintenance station at Pequops had asked about power. Line extension policy would apply in this case.

Manager Blackett gave a report on the hydro plant on Trout Creek and stated some work was necessary to keep in operation. He said that last year the plant generated 743,100 KW's at a cost of 1.58 mills. The board felt that the hydro plant should be fixed and kept in service since this was included in our agreement with Idaho Power.

A committee composed of Bob Wright, Chuck Read, George Blackett and John Moschetti was selected to study insurance and try to negotiate our future insurance needs.

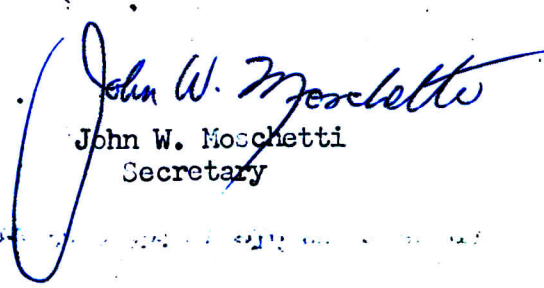
On roof at Wendover, Don Griffith prefers tar and gravel to a gable roof. No word on cost to remodel office from him yet.

A little trouble was reported with the line truck and it was sent to Salt Lake for adjustment.

Following discussion about pole at medical center, motion was made by Eyer Boies that Manager meet with the medical board to resolve this problem. James Ballard seconded. Motion carried.

No answer has been received from Highway Department on claim for work at Deeth to move poles.

Adjourned at 10:30 P.M.


John W. Moschetti
Secretary

Approved:


Robert R. Wright, President.

MEMBERSHIPS TO BE APPROVED JULY 19,1963

WENDOVER

Paul Condi

WELLS

Robert D. Chilcott

C.M. Cunningham

Dell Mortensen