

WELLS RURAL ELECTRIC COMPANY

Special Meeting of the Board of Directors

Pursuant to waiver of notice signed by all board members, a special 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 31st day of July, 1962.

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

Upon calling the roll, the secretary reported that the following directors were present: ROBERT WRIGHT, VERNIE DALTON, JAMES BALLARD, CHARLES READ, HERBERT UHLIG, CLARENCE SWETT, EYER BOIES, ROGER SMITH BLAINE SHARP, ARTHUR GROCK and JOHN W. MCSCHETTI, being all of the directors. Also present were FRED LIQUIN, Associated Engineers; ROBERT VAUGHAN, WREC attorney; WALT VANDIVER, Line Builders; GORDON ALLEN, Montana Electrical Supply, and GEORGE BLACKETT, Manager WREC.

The meeting opened with a presentation by Fred Liquin that Charley Brown having had a heart attack and being confined to the Elko Hospital would not be able to carry on with the construction of rural lines, and he proposed that we turn the contract over to Line Builders to complete in line with a proposal agreed to by Line Builders and Charley Brown. Attorney Vaughan countered that this proposal would not give the cooperative enough assurance that the work would be completed in line with the bid price, that Line Builders itself might not be paid in full and suppliers of material could be hurt. Following considerable discussion, the following motion was duly made, seconded and unanimously adopted:

RESOLVED: That the bonding company be phoned this evening and advised of Mr. Brown's condition and they be advised to carry on with the contract.

President Wright then called for the reading of the minutes by the secretary which were approved as read.

Manager Blackett said that Bell Tel application to Boone Springs is out. TV Pix is still interested in power at Spruce Mtn and Southern Pacific and West-idents of Cobre are interested in power. Manager to check into these and report. Also S.P. has request for estimate of power cost for heaters at Alazon. Motion made by Eyer Boies, seconded by James Ballard to offer rate to S.P. at Alazon on basis of cost plus demand charge with 12 months' ratchet clause.

Ten year contract as written with FAA calling for \$50.00 minimum for \$50.00 amortization was approved.

Fred Liquin reported back to the meeting that he had phoned the representative of the bonding company and they were going to check into the matter immediately. The following motion was then duly made, seconded and unanimously carried:

RESOLVED: That the President and Secretary with the approval of Attorney Bob Vaughan be authorized to execute a sub-contract with Line Builders providing that the contract does not release the principal contractor and the bonding company.

Chuck Read called attention to Attorney Vaughan that several items had not received his attention; such as Title V Loans, letter to Nevada Power Company on wheeling agreement for Jiggs-Lee area, etc. It was brought out that engineer's estimate for hydro power in Jiggs-Lee area was too expensive and that we should continue with our efforts for a wheeling agreement with Nevada Power.

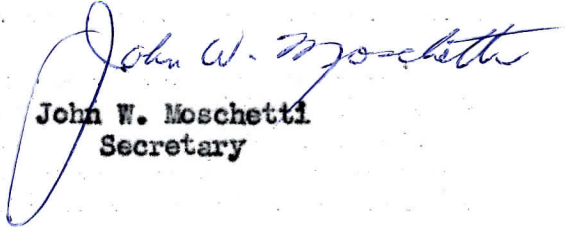
Fred Liquin said that we would have to negotiate for line construction that was not at present under contract which included about 20 miles of taps and the distribution in the town of Wendover.

Verne Dalton moved and Clarence Sweett seconded motion to confirm the pledge of \$1,000. to Wells Medical Center acted upon last meeting.

Chuck Read is to get information on copying machine and present at regular meeting.

Chuck Read again reviewed the group insurance and medical plan for employees and directors. He said that Ray Goicla of Ryan Insurance Agency stated he could not compete with NRECA insurance plan. It was the consensus of the board that the NRECA plan should be presented to employees and that the manager should secure necessary forms. Board members can also make application for NRECA insurance.

Adjourned at 11 P M.


John W. Moschetti
Secretary

Approved:

Robert R. Wright, President

WRITTEN CONSENT TO TIME AND PLACE OF
SPECIAL MEETING OF DIRECTORS
OF
WELLS RURAL ELECTRIC COMPANY

The undersigned being the Directors of Wells Rural Electric Company do hereby unanimously favor and consent to the holding of a special meeting of the Directors of the Wells Rural Electric Company to be held at COMPANY OFFICE in the City of Wells, County of Elko, State of Nevada on the 31ST day of JULY, 1962 at 7:30 P.M. of said day and do hereby further waive any and all notices of any kind or nature of said date and place of meeting.

Dated this 31ST day of JULY, 1962.

G. T. Bend
Lawrence Sweet

James R. Smith
Blaine Sharp

Vernon Bellum
Eyes H. Bore

Herbert W. Phley
John W. Monchitto

Robert R. Knight
James L. Ballard

Arthur E. Trock