

THE REGULAR MEETING OF THE BOARD OF DIRECTORS
OF
WELLS RURAL ELECTRIC COMPANY

July 16, 1976

The meeting was called to order at approximately 1:10 p.m. on July 16, 1976, in the Board Room of Wells Rural Electric Company, Wells, Nevada. President James Ballard presiding.

Present were: Jim Ballard, Eugene Pengally, Vernon Dalton, William Gibbs, Arthur Grock, Thomas Achurra, John Krenka, Ray Crawford, and Glenn Wadsworth. Clarence Swett and Bob Wright were unable to attend. Present from the staff was Donald Snyder, Manager.

Corrections to the minutes were called for. The selection of the committee to select a new manager was by appointment rather than by a motion as stated in the minutes. The correction was approved.

The minutes of the last meeting were approved as corrected.

Additions to the agenda were called for: The Lee-Jiggs line by Tom Achurra and Acre by Vernon Dalton.

Construction: There was nothing new to report from Idaho Power Company or Pine Valley/Carlin.

Raft River Intertie: The manager reported that in the last letter received from Mr. Derksema of B.P.A. he completely sidestepped the issue. B.P.A. is sending their economist down to look over the situation. The manager suggested the Board give B.P.A. until September to do something about the intertie.

Hydro Plant: The Wells Bicentennial Committee received their check for \$13,800 for moving the plant. The committee will go look at the plant on July 19 to get some ideas for a new building. The building that is presently housing the hydro plant will be torn down and a new building built on the new site to be decided for the plant. The plant must be moved by March, 1977 because the money has to be used by then. Four-Way can move the unit. The committee will look into different companies to build the new building.

Rates, Rules, and Regulations: Nothing new to report.

Nominating Committee: The nominating committee consists of Mike Jensen, Chairman; Brent Jones, Lydia Guttierrez, and Lillian Garcia. A letter will be mailed Monday to members with the information concerning nominations for directors.

Medical Insurance: The committee reviewed policies from Nevada Blue Shield and New York Life and recommended that we keep the same plan we have now from N.R.E.C.A. GENE PENGALLY MOVED THAT WE CONTINUE OUR MAJOR GROUP INSURANCE PLAN WITH N.R.E.C.A. RAY CRAWFORD SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

Budget: The manager went over the budget. As of May we are \$20,644.86 in the black. We had budgeted to be \$7,925.84 in the black at this time, so we are doing 2½ times better than anticipated. The Service Department and the Appliance Department are both doing very well and are in the black. The manager explained the charts to the board.

Bonneville Power Administration: A formal notice of insufficiency was received from them. Effective in the year beginning July 1, 1983, B.P.A. is required to supply us with 25 megawatts of firm energy, with no obligation to provide any more than that. We have 2½ megawatts from

WPPS Nos. 4 & 5 and the 25 megawatts from B.P.A. If we need any more power we will have to get it from someplace else. It was pointed out that if B.P.A. has more energy than that they will supply us with what we need, but there is no guarantee that they will have extra energy. The board agreed to have Richard Loveland draw up a demand chart from 1975 on to see how much energy is being used so they will be aware of the demand and can look elsewhere for more energy when they see it will be needed.

Membership Applications: At this time there are 47 people who are receiving service who are not members. One in Clover Valley, 1 in Ruby Valley, 4 in Starr Valley, 5 in Elko, 1 in Lee-Jiggs, 10 in Wells, and 23 in Wendover. We hope to have everyone who is receiving service a member by the end of the month. IT WAS MOVED AND SECONDED TO APPROVE THE MEMBERSHIPS. 30 FROM WENDOVER AND 21 FROM WELLS. THE MOTION WAS PASSED UNANIMOUSLY.

Selection of a Manager Report: There is one applicant from Elko and one from Mt. Wheeler who have shown interest in the job. The advertisement in the RE magazine should be out on August 15 and applications will be accepted until September 10. N.R.E.C.A. can send a man out to help select the new manager, but most board members seemed to feel that they didn't want someone else selecting the man they would work with. The board will wait until the August meeting to decide whether they want the N.R.E.C.A. man to come out. Management by default was also discussed and will be discussed again at the August meeting.

James Ballard, Clarence Swett, and Robert Wright are on the signature card at First National Bank of Nevada in the absence of the manager.

Lee-Jiggs Line: The rephasing of this line will be done in 1977-78.


Acre: Vernon Dalton gave a short report on the activities of Acre and urged the Board members to consider a personal membership in Acre.

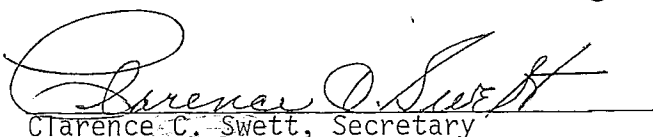
President's Report: All members should be educated as to what is going on in the cooperative, but letters don't always work. The president stated that we have to find a way to notify all members of decisions here.

Civil Rights Progress Review: Mr. Jack Stevens will be here from August 16-20 to talk to the manager, directors and other businessmen in town. He will be present at the next board meeting.

Wendover Bill: VERN DALTON MOVED THAT THE MANAGER BE INSTRUCTED TO WORK WITH THE CITY COUNCIL OF WENDOVER TO SECURE THE MONEY THAT SHOULD BE PAID FOR THE LINE TO RECOVER OUR COSTS. THE CONDITIONS OF ANY AGREEMENT BETWEEN THE TWO PARTIES SHOULD BE WRITTEN DOWN. THE MOTION WAS SECONDED BY RAY CRAWFORD AND PASSED.

The meeting was adjourned at 4:10 p.m.


James L. Ballard, President


Clarence C. Swett, Secretary

MEMBERSHIPS TO BE APPROVED

July 16, 1976

WELLS

1. Gary Applegate
2. Juan R. Botello
3. Clover Valley Fire Dept.
4. Drew Dahl
5. Edward J. Defreze
6. Keith C. Dixon
7. R. Grant Dixon
8. Blaine Holmes
9. Viola Lloyd
10. Edward J. Lowe
11. Philip Mednick
12. Edward J. Paladini
13. Alice Peterson
14. James E. Reddy
15. James M. Robinson
16. Hazel L. Smith
17. Boyd M. Spratling
18. Gaylene Swasey
19. U3 Ranch Company
20. Eleanor A. Ward
21. Robert K. Winton

MEMBERSHIPS TO BE APPROVED

July 16, 1976

WENDOVER

1. Linda L. Anderson
2. Mike Beristain
3. Keith Berry
4. Thomas Boothe
5. Dave Carter
6. Mary Chase
7. Edward J. Colflesh
8. Honor Davis
9. David B. Dayle
10. Andrew Fleischer
11. Ray Hamilton
12. H. Harr
13. Cathie A. Hizer
14. Nancy Kessler
15. Margie D. Lunt
16. Nevada Paper & Chemical
17. Mountain State Tel & Tel.
18. Louis Oliver
19. Gerrie Paladini
20. Leonard Parker
21. Lynne M. Patrick
22. Carl O. Roan
23. Roland Sharp
24. Lloyd Shelton
25. Jesus Trujillo
26. James M. Turpin
27. Don Wegner
28. Ted Williams
29. Nanci Wirth
30. Dora J. Woolf