

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

June 20, 1975

The regular meeting of the Board of Directors was called to order by President, Jim Ballard on June 20, 1975 at the Wells office of Wells Rural Electric Company.

Those present were: Art Grock, Tom Achurra, Bill Gibbs, Bob Wright, Gene Pengelly, Vernon Dalton, John Krenka, Jim Ballard, Clarence Swett, and Ray Crawford. Jess Urrésti was absent.

Also present were Ted McPhee and Fred Blanchard of the Alexander Grant and Company, and Don Snyder, Manager.

The minutes of the last meeting were approved as read.

Additions to the Agenda: Don wanted Sale of Bank Building added.

Audit: Ted McPhee and Fred Blanchard, representing Alexander Grant and Company were present to explain the billing for last years audit. The alternatives were then discussed by Don and the Board. Don will shop around for some estimates from different auditing firms. Don read a letter from Al Brown, the REA Auditor on his review. He commented on the capabilities of the staff.

Construction: Don reported. The Metropolis line was completed to the Peavey and Egbert irrigation pumps. Also the extension to Agee's pump was completed. The crew will be in Wendover to work on the 31 unit underground trailer court. We will commence construction on the Devils Gate line around July 1. Rex Claridge has a subdivision in the Jiggs/Lee area. He would like Wells Rural Electric Company to put some lines to his lots.

Devils Gate: We have received verbal approval for certification of that area. The first load of poles are due in on Thursday.

Idaho Power Company: The Attorney fees pertaining to the pending lawsuit were discussed by the Board of Directors and the Manager. The matter will be discussed further at the next meeting.

Pine Valley/Carlin: Robert Vaughn, Attorney, informed the Manager that his office had misinterpreted the Carlin City statutes and find that the City of Carlin will have to put it before a vote of the people. Also Carlin has to take bids on the disposal of their electric plant. They are required to take the highest bid. Different proposals were discussed, and it was decided to go ahead and apply for certification of that area.

Gent Mountain: No news.

Street Lighting: Don reported on the progress made in installing them. Most of the lights are up and the balance of them will be installed in the near future.

Service Building: We have received approval on the final plans for our service building. Dean Jensen, Architect, notified Ormaza Construction Company as to the effective date which is June 23, 1975.

Raft River: Don reported on the proposal of a joint 69 KV substation at Oasis.

Hydro: Nothing new.

Loan Application: We received approval of our loan application, and the funds have been released.

BOB WRIGHT MOVED WE TRANSFER \$20,000 FROM BUDGET PURPOSE 1-GENERAL FUNDS, TO BUDGET PURPOSE 4-HEADQUARTERS FACILITIES. GENE PENGELLY SECONDED AND THE MOTION CARRIED.

Don outlined the advantages of having CFC deliver our quarterly REA payment to REA. After a discussion of the matter A MOTION TO ADOPT THE RESOLUTION WAS MADE BY VERNON DALTON AND SECONDED BY RAY CRAWFORD. THE MOTION CARRIED. A copy of which is attached.

Work Orders: Don reported on the last quarters work orders. They are all up to date and ready for signature.

Sale of Bank Building: Wells Rural Electric Company received a proposal of \$25,000 for the bank building and lot from Mr. and Mrs. Cecil E. Oard. GENE PENGELLY MOVED WE GO AHEAD AND SELL THE BUILDING AND LOT FOR \$25,000 TO MR. & MRS. CECIL E. OARD. ART GROCK SECONDED AND THE MOTION CARRIED.

Managers Report: A letter of commendation from Robert Scobie of Wendover, Nevada on Howard Givson and Kerry Kogan, our Wendover line crew was read.

The developments of W.P.P.S. 4 and 5 and Skagit proposals were gone over by Don and the Board of Directors. The EPA is filing suit against some of the Cooperatives that signed the proposal.

The moving of power lines was discussed. BOB WRIGHT MOVED THAT WHEN THE COMPANY IS REQUESTED TO MOVE A POWER LINE, THE CONSUMER SHALL PAY ACTUAL COSTS LESS SALVAGE VALUE WITH CONSIDERATION TO BE GIVEN TO ADDITIONAL REVENUE AND OTHER TECHNOLOGICAL FACTORS. GENE PENGELLY SECONDED AND THE MOTION CARRIED.

Don reported on the hiring of George Eldridge and the termination of Jerry Cushman. The reason Jerry left Wells Rural Electric Company was discussed. Patty Blackett was also hired. She will **take** up the slack left after the High School girls left. The scholarship was also discussed. Emily Jeffs was the recipient of two scholarships and our rules are that you can only take one. Don will notify Emily of the decision.

Don reported on the Northwest Public Power Meeting. Rumors are that BPA will increase their wholesale rates in the near future by approximately 50%. Also the Public Power Council has warned the Cooperatives to be wary of the new BPA contract.

The energy committee will meet with Don on Friday, June 27, 1975 to review the draft of the new power sales contract from BPA.

Don requested that he be allowed to arrange for an individual retirement fund from Union Federal Savings and Loan instead of participating in N.R.E.C.A. Retirement Program. VERNON DALTON MOVED AND GENE PENGELLY SECONDED THAT DON BE ALLOWED TO PAY HIS RETIREMENT INTO UNION FEDERAL SAVINGS AND LOAN INSTEAD OF N.R.E.C.A. AND THE MOTION CARRIED.

BOB WRIGHT MOVED THAT THE 21 WELLS MEMBERSHIPS AND THE 25 WENDOVER MEMBERSHIPS BE APPROVED. RAY CRAWFORD SECONDED AND THE MOTION CARRIED.

Don informed the Board that Adrian Rattazzi's annual salary review was held and he advanced from step 4 to 5, also Darrell Calton is up for his annual review and he will advance from step 1 to 4.

The meeting was adjourned.

Clarence C. Swett
Clarence C. Swett, Secretary

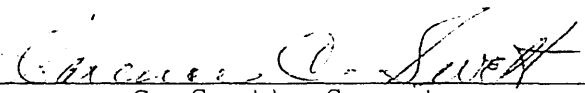
James L. Ballard
James L. Ballard, President

CERTIFIED COPY OF RESOLUTIONS
DESIGNATING CFC AS AGENT FOR
CHECK DELIVERY TO REA

I, Clarence C. Swett, do hereby certify that: I am the Secretary of Wells Rural Electric Company (herein called the "Cooperative"); the following is a true and correct copy of certain resolutions duly adopted at a meeting of the Board of Directors of the Cooperative held June 20, 1975; the meeting was duly and regularly held in accordance with the bylaws of the Cooperative and neither of said resolutions has been rescinded or modified:

RESOLVED, that National Rural Utilities Cooperative Finance Corporation (CFC) is hereby appointed agent of this Cooperative to receive from the Cooperative, hold and deliver to the Rural Electrification Administration (REA) checks issued by the Cooperative in payment of the quarterly debt service amounts due from the Cooperative on account of loans made to it by REA; and
RESOLVED, that the Secretary is hereby authorized and directed to furnish a certified copy of these resolutions to CFC.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Cooperative this 20th day of June, 1975.



Clarence C. Swett, Secretary

(Cooperative's Seal)

MEMBERSHIPS TO BE APPROVED

JUNE 20, 1975

WELLS

1. Mark Beckett
2. Robert Bouge
3. Gordon Corradetti
4. Jay C. Goodman
5. Doug Graves
6. Dennis Harrell
7. Anna Hoffman
8. Joe G. Javorsky
9. Ralph D. Jenkins
10. Kent D. Johns
11. Kepford B. Kramer
12. James McGowan
13. Gino Quilici
14. Roberto Quintero
15. Gene L. Silcock
16. Elton J. Sittre
17. George R. Smith
18. Glenn O. Supp
19. James R. Wachtel
20. Chris Wheaton
21. Nevada Advertising Company, Inc.

WENDOVER

1. Ralph H. Adams
2. Robert Baldwin
3. Mark Buchanan
4. Peggy L. Buzzetti
5. Robert D. Campbell
6. Bernardo Duran
7. Clyde Gonzalez
8. Eric Gray
9. Jimmie D. Hicks
10. James R. Hodges
11. Bill A. Jacobsen
12. Walter Ludlow
13. William H. Marks
14. Myretth Montjoy
15. Kenneth A. Penn
16. Robin Ann Pettit
17. Samuel Rainey
18. Glenna Richey
19. Larry Robertson
20. Marcelino Rodriguez
21. John J. Sanderson
22. Jennifer Skinner
23. Dian Spor
24. Rachel Sullivan
25. Harvey Trees