

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

March 19, 1976

The meeting was called to order at 1:00 P.M. by President, Jim Ballard in the board room of the Wells office of Wells Rural Electric Company.

Those present were: Jim Ballard, Clarence Swett, Vernon Dalton, Gene Pengelly, Glenn Wadsworth, John Krenka, Bill Gibbs, Bob Wright, Ray Crawford, and Tom Achurra. Art Grock was unable to attend. Attending from the staff were Donald H. Snyder, General Manager, and Tina Weeks, Secretary. Also present were Eyer Boies, Dirk Agee, and Wayne Phillips from the O'Neil area.

There were two corrections in the minutes. "Meritorious" was changed to "Emeritus" and "assert political pressure" was changed to "attain political support" on page two. The minutes were approved as corrected.

There were two additions to the agenda. Bob Wright wanted to add Football Scoreboard, and Eyer Boies wanted REA Telephones added.

Memberships: GENE PENGELLY MOVED THE 6 WELLS AND 10 WENDOVER MEMBERSHIPS BE APPROVED. GLENN WADSWORTH SECONDED AND THE MOTION WAS APPROVED UNANIMOUSLY.

REA Telephone: Eyer Boies asked about the possibility of a REA Telephone system in the O'Neil area. The directors felt the Wells Rural poles in the area could be used by telephone also. The Manager will look into this matter.

Construction: The Manager reported on the faulty transformer we received for the Silverzone Substation. The transformer has been taken to Salt Lake City and is expected back by Monday, March 22nd. It is expected to have the substation energized by Tuesday, March 23rd.

Pine Valley/Carlin: We received notification from BPA, that they will not allow wholesale of power under our contract. This means W.R.E.C. will be unable to supply Carlin with power. Dirk Agee explained the feelings of some of Carlins residents. They feel that Wells Rural has deserted them. Ways of stopping such rumors were discussed. The Manager will notify the Carlin Mayor as soon as we get written notification.

O'Neil/Contact Line: The consumers interested in three phasing the O'Neil/Contact line were Eyer Boies, Dirk Agee, and Wayne Phillips. The Manager put the figures he had on this re-phasing on the blackboard so everyone could review them. They were as follows:

	3000 KW	4000 KW
To rebuild from Wells	\$702,300	\$719,800
Build a substation at		
Contact	\$537,000	\$555,100
O'Neil tap rebuilding	\$133,000	\$133,000

The Manager explained the high costs. When the line was originally built, it was to be poled for future three phasing of the line. Since original construction, REA standards have been upgraded and many of the poles aren't sufficient. The entire line will have to have poles replaced. A discussion involving present and future

estimated loads was held. The three interested persons aren't able to pay the costs for the return they would get under our present eight year contract. The Manager agreed to do a cost survey on this project for 20, 25, and 35 years at 5% interest and send copies to Dirk Agee and Wayne Phillips. A committee of Vernon Dalton and Eyer Boies was formed to study the alternatives of this project.

Sale of Old Buildings: Jim Ballard, President opened the bids on the buildings at 3:00 P.M. on March 19, 1976. They were as follows:

Robert Priest	\$ 400.00	- Warehouse
Supp's Inc.	\$3000.00	- Warehouse
Pete Igoa	\$2000.00	- Warehouse
Jess Higley	\$3000.00	- Warehouse
Sage Motel	\$3001.00	- Bank building
American Legion	\$ 100.00	- Bank building

BOB WRIGHT MOVED THAT WELLS RURAL ELECTRIC COMPANY ACCEPT THE BID OF \$3000 FROM SUPP'S INC. FOR THE WAREHOUSE AND THE BID OF \$3001 FROM SAGE MOTEL FOR THE BANK BUILDING, AND REJECT ALL OTHER BIDS. GENE PENGELLY SECONDED THE MOTION AND A VOTE WAS TAKEN. 9 APPROVED AND 1 OPPOSED, TOM ACHURRA. THE MOTION PASSED.

Raft River Intertie: The letter we were expecting hasn't arrived, but is expected by this Friday. It was decided that if the letter confirming approval or denial of the point of delivery with Raft River isn't received by Friday, the appointed delegation will visit BPA Headquarters.

Hydro Plant: Our application for funds from the Bicentennial Committee has been sent back for corrections; which have been made and the application returned to Vicki Nash.

Policy Manual: The camera ready copy of the Policy Manual is ready for printing. The Manager asked if the Directors Retirement was to be included in the Policy Manual. It will be typed up as the last policy in the manual.

Directors Retirement: Gene Pengelly handed out copies of the suggested policy the committee came up with. After reviewing and correcting the suggested policy, the President read it aloud to clarify all corrections. BOB WRIGHT MOVED TO ADOPT THE DIRECTORS RETIREMENT POLICY AS AMENDED. GENE PENGELLY SECONDED AND THE MOTION PASSED UNANIMOUSLY. The president thanked the committee members, Gene Pengelly, Chairman; Glenn Wadsworth; and Bill Gibbs for a job well done.

Directors Page in Ruralite: A copy of the article written by Vernon Dalton had been sent out with the agenda for review. The Board approved the article for publication as written by Vernon. A discussion was then held on publishing the article in the paper, but was dropped after several drawbacks developed. It was decided to continue to see how our consumers will react to the article in Ruralite. Bob Wright volunteered to do the next article.

Managers Report: The Manager read a letter he received from the Nevada State Highway Department concerning the Defensive Driving Course that Wells Rural Electric Company sponsored. Everyone who participated was thanked.

The scholarship applications have been sent out to the schools and an Interviewing Committee will be selected at the next meeting.

Vernon Dalton then talked on the A.C.R.E. organization, and answered all the questions he was asked. He urged all Directors and employees to become members.

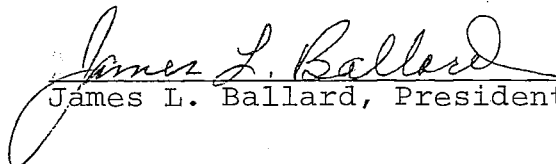
Football Scoreboard: Bob Wright explained the present situation, and how the Wells Booster Club is trying to purchase a new scoreboard. The Booster Club delegated Bob Wright to ask Wells Rural if they would donate toward a new scoreboard. GENE PENGELLY MOVED WELLS RURAL ELECTRIC COMPANY DONATE \$100 TOWARDS A NEW SCOREBOARD FOR WELLS HIGH SCHOOL. TOM ACHURRA SECONDED AND THE MOTION WAS APPROVED UNANIMOUSLY.

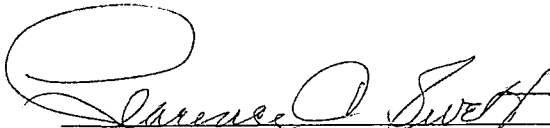
Further discussion on the REA Telephone system in the O'Neil area was held. Bill Gibbs suggested W.R.E.C. let Cal-Pac use our poles in the O'Neil and Mary's River area free of charge. Glenn Wadsworth suggested using the Wells City limits as a starting point. GENE PENGELLY MOVED THAT WELLS RURAL ELECTRIC COMPANY LET CALIFORNIA-PACIFIC UTILITIES CO. USE OUR POLES IN THE O'NEIL AND MARY'S RIVER AREA STARTING AT THE WELLS CITY LIMITS FOR TELEPHONE CONTACTS FREE OF CHARGE. RAY CRAWFORD SECONDED AND THE MOTION PASSED UNANIMOUSLY.

Rates, Rules and Regulations: After reviewing the entire manual and making many corrections and revisions, VERNON DALTON MOVED TO ACCEPT THE RULES, RATES AND REGULATIONS AS AMENDED. GENE PENGELLY SECONDED AND THE MOTION PASSED UNANIMOUSLY.

The Company purchase of wholesale gasoline was brought up. GENE PENGELLY MOVED TO TABLE THE MATTER UNTIL THE APRIL BOARD MEETING, AS THE CONDITION OF THE TANKS IS NOT KNOWN. RAY CRAWFORD SECONDED AND THE MOTION CARRIED UNANIMOUSLY. This matter will be put on the next month's agenda.

The meeting was adjourned at 6:00 P.M.


James L. Ballard, President


Clarence C. Swett, Secretary

MEMBERSHIPS TO BE APPROVED

MARCH 19, 1976

WELLS

1. Dick Beckstrom
2. Mark E. Dahl
3. Evelyn Garrison
4. Jerald D. Pence
5. Laura Rigel
6. Douglas Simmons

WENDOVER

1. Curtis E. Bozeman
2. Bruce's Shell Service (B. E. Porter)
3. Patsy Ann Grow
4. Nicolos Haro
5. R. E. Heisler
6. Eldon Knight
7. Leon Martin
8. Scott Robertson
9. William Rogers
10. Christine Trebelhorn