

REGULAR MEETING OF BOARD OF DIRECTORS
OF
WELLS RURAL ELECTRIC COMPANY

A regular meeting of the Board of Directors of WELLS RURAL ELECTRIC COMPANY was held in the company office in the City of Wells, State of Nevada at 7:36 o'clock P.M. on the 14th day of May 1965.

The meeting was called to order by ROBERT R. WRIGHT, President, who presided and C. C. READ, Assistant Secretary, acted as secretary of the meeting.

Upon calling the roll the Secretary reported the following directors present: C. C. Read, Arthur Grock, Robert R. Wright, Thomas Achurra, Vernon Dalton, Oliver Sharp, James L. Ballard, Matt Smith and Blaine Sharp. Also present was Manager George Blackett.

Absent were Roger Smith and Clarence Swett.

Yard lights came up for discussion, and it was stated by Mr. Wright that the yard lights would be installed at the company's option.

The minutes of the last meeting were approved as read.

Paying off Capital Credits of deceased persons came up for discussion. On the books there is an approximate sum of \$2449.98 to be refunded, stated Mr. Blackett.

RESOLVED: That it is the intention of this board to refund the Capital Credits of deceased persons. That our Attorney is to be instructed to write up an appropriate By-law. Motion made by C.C. Read, seconded by Matt Smith. Carried.

Cottage and Vacation electric rates came up for discussion. Motion made by C.C. Read that the rate schedule as read be approved. Seconded by Tom Achurra. Carried.

Construction, Youth Camp Ruby Valley, Gerbers Boys Ranch, 3 phase at Johnson Ranch discussed. No action.

Matt Smith brought up the subject of Gas Companies possible coming into this area. Discussion on retail outlets, sales and service of appliances (electrical). Mr. Blackett stated that the R.E.A. does not encourage Co-ops in the sales of appliances but do approve of service of same. Electric rates are not competitive stated Vern Dalton.

RESOLVED: Have Mr. Blackett contact General Electric or some other company for a survey of sales and service on appliances. Matt Smith will work with Mr. Blackett on the above.

Mr. Vernon Dalton made a report on the Key Indicators. Mr. Blackett was instructed to have copies of the Key Indicators run off and sent out to each board member.

Next work study is the Power Supply Purchase, stated Mr. Dalton. Matt Smith made the motion that the board works on it next. Seconded by Vernon Dalton. Carried. Robert Wright, C.C. Read and Art Grock are the committee members and C.C. Read the Chairman.

7B Work Shop is slated for June 7-8 in Elko. All will be able to attend, except possibly Mr. Oliver Sharp. Wells Rural Electric Co. will host the NRECA meeting, motion made by Matt Smith, seconded by Vern Dalton. Mr. C.C. Read will handle arrangements.

Vernon Dalton reported on the Disney property. The Appraiser stated he appraised same for \$7500.00. The Disney property purchase is tabled until the committee can obtain more information.

Mr. Blackett reported upon the Radio Repeater on Pequop. The primary purpose is better control of line maintenance. The radio station would cover north and south and the JIGGS-LEE area. Matt Smith moved that the board accept the radio station bid, seconded by Oliver Sharp. Addition to motion " Subject to confirmation". Carried.

Al Huber was not present at the meeting, due to having to be in Las Vegas. Discussion by board members on having him present to the board the complete break-down of the audit. Mr. Blackett instructed to write letter to other auditing firms for their prices and also what their audit would entail, to give the Board a guide-line.

Mr. C.C. Read and Mr. Blackett reported on their trip to Washington D.C. What was possibly gained for the area (lower rates in years to come) by the Sub-Committee work in the House of Representatives in conjunction with B.P.A. Snake River Power Co., Raft River and others also very interested in the outcome of the Engineering Study. They met with Ed Slender, Senator Bible, Senator Cannon and Rep. Baring and obtained advice and help from same.

Stated by C.C. Read, that from the standpoint of Wells, if the Wheeling agreement goes thru, we can receive Bonneville Power at substantial less mil cost. Approximately $3\frac{1}{2}$ mil cost

Mr. Blackett and Mr. Read also met with Mr. Chuck Luce, B.P.A. administrator and also a Mr. Norwood. Mr. Blackett visited with Mr. Harold Dangerfield, Mr. Fitch and Jerry Diddle, R.E.A. representatives.

REA mentioned \$140,000.00 that they would like Wells Rural Electric Co. to get back. Further discussion tabled due to a letter that Mr. Diddle is sending to Mr. Blackett next week. Will be on the agenda for the next meeting.

Margins came up for discussion. Mr. Blackett stated that R.E.A. approved $1\frac{1}{2}\%$ to 2% of Plant Value or 5% to 10% of Gross Revenue. Stated by R.E.A. that we need a Financial Plan Forecast before a rate decrease can be considered. WREC needs a years experience on rates before R.E.A. can approve another change. Lou Diddleman in charge of rate section.

Mr. C.C. Read interested in Work Shop 3; July 26-28 in Minnesota.

Managers report: Letter from NRECA on Western Conference of Public Service Commissions. Also, letter from Phillip Parker on same.

Board members approved 35 new co-op members of the Wells Rural Electric Co.; 9 from Wells, and 26 from Wendover. Making total members 865. Vernon Dalton moved that their membership be approved; seconded by Oliver Sharp. Carried.

Report on the Bonneville Pumps. Mr. Vernon Dalton moved that Wells Rural Electric Co. offer Bonneville a contract of \$84,000.00 minimum for ten years and in no year less than \$7000.00 a year. Seconded by Tom Achurra. Carried.

Hydro Plant and Pipe falling apart came up for discussion. Would cost approximately \$24,000.00 to replace 1200 feet of pipe line. Board requested more figures and tabled it for next agenda.

Wells Roping Club electric rate came up for discussion. Board agreed that they would be treated on same basis as commercial customers.

Rodeo Grounds on Managers report. Matt Smith made the motion that Wells Rural Electric Company still donate power for the 2 days of the rodeo and charge power thereafter thru meter and bill the city for the balance. Seconded by Vernon Dalton. Carried.

Board went into executive session to consider resignation of Sec'y. Moved that she be raised to \$2.00 hr. and James Reiley to \$2.50, retroactive to April 1, 1965 by James Ballard and seconded by Oliver Sharp. Carried.

Vernon Dalton asked about progress on transformers. Vernon Dalton moved and Matt Smith seconded that equipment policy be amended by deleting "by following the policy of equipment depreciation and replacement". Passed.

Discussion of linemen schooling and equipment replacements and additions.

Managers' report on transformers at next meeting.

Discussion of gas purchasing, decided to maintain present system.

Adjourned at 12:00 A.M.

Approved:

Robert R. Wright
Robert R. Wright, President

C. C. Read
C. C. Read, Assistant Secretary.

WELLS RURAL ELECTRIC COMPANY

WELLS, NEVADA 89835

MEMBERSHIPS TO BE APPROVED MAY 14, 1965

WELLS

LeRoy A. Brodsho
Robert L. Burton
Fourway Motel
Fourway Service, Inc.
Dallas Gillespie
H. R. Hawkins
E. Clayton Phillips
Supps Inc.
9 Herbert M. Uhlig

WENDOVER

J. Ronald Anderson
Tom Anderson
John F. Bennett Jr.
Bob Calvin
Melvin M. Cameron
Etheridge Campbell
Gary G. Corbett
Alex Geokan
Andres Gonzales
Ralph Gonzales
Lind Hutchinson
Ralph T. Kearney
Manfred Koska
Glen Morgan
J. H. Powers
Rose Sharp
David Shelton
Francis Steele
Robert J. Tilley
M. B. Tripp
Darrell B. Wadsworth
A. B. Webb
Rands Wiley
Ada J. Williams
LeRoy A. Williams
26 Ester A. Witt

Inc. above 865 Members.

Active 574
Inactive 291

Wells active 393
Wendover = 181