

REGULAR MEETING OF THE BOARD OF DIRECTORS

OF

WELLS RURAL ELECTRIC COMPANY

16 MAY 1969

A regular meeting of the Board of Directors of WELLS RURAL ELECTRIC COMPANY was held in the Company office in Wells, Nevada on May 16, 1969 at 1:00 P.M.

The meeting was called to order by Vernon Dalton, President, who presided, and Clarence Swett, Secretary, acted as Secretary of the meeting.

Upon calling the roll the Secretary reported the following directors present: VERNON DALTON, JAMES BALLARD, ARTHUR GROCK, TOM ACHURRA, RAY CRAWFORD, LOURINDA WINES, ROBERT WRIGHT, JESS URRESTI, JOE QUILICI, CLARENCE SWETT and WILLIAM GIBBS.

Also present were Manager Blackett, Fred Toombs and F. T. Murphy.

The minutes of the previous meeting were approved as written.

The report of the Community Development Committee was added to the Agenda.

Letters from Bob Vaughan concerning Nevada Power and North Fork Tuscarora Area were read. These letters were to go to REA explaining the position of WELLS RURAL ELECTRIC COMPANY.

A letter from Wilson & Wilson attorneys from Nevada Power Company was read explaining that Nevada Power was going ahead on the North Fork Tuscarora Area.

Robert Wright moved that President Dalton contact Attorney Vaughan about not writing a letter. This was approved.

Federal Power Commission: Waiting for the decision which is supposed to be out about June, 15th.

Construction: New extensions to AEC site, extensions to Cobre, Hylton pumps, Westwood irrigation pumps, LDS Church Ranch and Rest area east of Wendover.

Power Use: Calta Mines starting exploration tunnel. This will determine future action. Beef Cook-off results were very good. Wendover building remodeling about complete. Waiting for prices on sign. Bonneville Potash has shut mill down.

Board Secretary to write Mrs. Lunsford a letter of thanks for her work on the Cook-off.

New Power Source: BPA report received and approved. The forecast agreed with power requirement study and our long range forecast.

Sale of Diesel Engine: No news.

Community Development Report: It will be necessary to have a Steering Committee to start the organization. Other Committees will then be formed to work with them on different parts. Proposed members to be contacted. Jess Urresti for WELLS RURAL ELECTRIC COMPANY, Joe Quilici CITY COUNCIL, Robert Wright CLOVER VALLEY SOIL CONSERVATION DISTRICT, Max Spratling STARR VALLEY SOIL CONSERVATION DISTRICT, Russ Peavy METROPOLIS WATER DISTRICT, Willard Schultz CHAMBER of COMMERCE and George Blackett.

Manager Report:

Annual Meeting Date: James Ballard moved that the By Laws be Amended to set the Annual Meeting date as the second Saturday in September. Seconded by

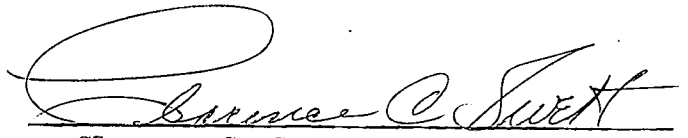
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Bill Gibbs. Motion passed.

Audit report postponed until next meeting.

14 Robert Wright moved that the nine memberships from Wells and five from Wendover be approved. Seconded by Jess Urresti. Motion passed.

Meeting adjourned at 2:40 P.M.


Clarence C. Swett, Secretary


Vernon Dalton, President

On motion duly made and seconded it was unanimously passed that the informal By-Law Amendments adopted at the regular meeting of the Board of Directors on the 16th day of May, 1969, be approved in formal form, effective May 16, 1969, as follows:

Section 1, 3, and 4 of Article II of the By-Laws of Wells Rural Electric Company be ammended to read as follows:

"Section 1. ANNUAL MEETING. Unless otherwise set by the Board of Directors, the annual meeting of the members shall be held at 8:00 o'clock p.m. on the second Saturday of September, in each year, for the transaction of such business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the State of Nevada, such meeting shall be held on the next succeeding business day. Failure to hold the annual meeting at the designated time shall not work a forfeiture or dissolution of the corporation.

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Section 3, PLACE OF MEETING. The Board of Directors may designate any place, either within or without the State of Nevada, as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors. Unless the members are otherwise notified, the annual meeting shall be held at the Wells High School Auditorium, in the City of Wells, Elko County, Nevada. A waiver of notice signed by all members entitled to vote at a

meeting may designate any place, either within or without the State of Nevada, as the place for the holding of such meeting.

Section 4. NOTICE OF MEETING. In the event the annual meeting is held at the time and place aforesaid, no further notice of the meeting shall be required, but may be given. If the meeting is to be held at a place, time or date other than aforesaid, written or printed notice stating the place, day and hour of meeting and in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten nor more than sixty days before the date of the meeting, either personally or by mail, by or at the direction of the president, or the secretary, or the officer or persons calling the meeting, to each member entitled to vote as of the date notice is given. If such notice is mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as it appears in the records of the corporation, with postage thereon prepaid."

Section 11 of Article III of the By-Laws of Wells Rural Electric Company be ammended to read as follows:

"Section 11. NOMINATION AND ELECTION OF DIRECTORS.

Nomination and election of directors shall be by mail as herein-after provided:

(a) The Board of Directors shall appoint a nominating committee prior to the 1st day of July of each year.

(b) Prior to the 10th day of July of each year the nominating committee shall inform the membership: That as of said date nominations will be open; that nominations should be in writing and be mailed or delivered to the company's Wells office in care of the nominating committee; that nominations must be in the office no later than the 10th day of August.

(c) The nominating committee shall have the authority to make nominations of persons eligible to serve.

(d) The nominating committee shall have the duty to ascertain that all persons nominated are willing to serve as directors and eligible to serve as directors. In the event any nominee is unwilling to serve or determined to be ineligible, his name shall be removed from nomination with such action subject to the approval of the Board of Directors.

(e) The nominating committee shall obtain necessary information from the nominees and prepare an appropriate biography of all eligible nominees, in which incumbent directors will be so identified, and submit the same for approval by the Board of Directors at the August meeting.

(f) The nominating committee shall prepare the ballots upon which incumbent directors shall be identified. Nominees shall not be listed either alphabetically or in order of nomination, but the names shall be in a random order determined by lot or chance.

(g) Immediately following the August meeting of the Board of Directors, the nominating committee shall mail to all members entitled to vote the following:

- (1) 1 copy of the approved ballot;
- (2) 1 plain ballot envelope;
- (3) 1 stamped envelope addressed to the office of the company attorney at Elko, Nevada, or to such other location or address as the Board of Directors may determine to have said ballots returned;
- (4) 1 copy of voting procedure and instructions, which would include but not be limited to an explanation of cumulative voting, and would advise of the final return date for ballots.

(h) The final time and date that ballots must be delivered by mail or personally to the address or location where ballots are to be returned shall be 12:00 o'clock P.M. on the first Friday of September.

(i) The Board of Directors shall appoint an election committee, and the duty of the committee shall be to count and tally the ballots, and determine the persons elected to the Board of Directors. The election committee shall be assisted by the company attorney in its work which shall be accomplished in the office of the attorney, or such other place as the Board of Directors may determine.

(j) The chairman of the election committee shall inform the president of the Board of Directors of the election results and the president shall inform the successful candidates of their election.

(k) The term of office of elected directors shall commence at the beginning of the first meeting of the Board of Directors held

during the month of September.

(1) In the event that the directors are not nominated and elected at the times hereinbefore set, said nomination and election procedure shall be carried out at the earliest date thereafter as may be determined by the Board of Directors.

(m) The provisions for the nomination and election of directors as hereinbefore set out shall be deemed substantive as well as procedural, as to all matters therein contained."

MEMBERSHIPS TO BE APPROVED

May 16, 1969

WELLS

1. Vergene Davis
2. John Hickok
3. Bob Jensen
4. Kenneth Lindsey
5. Ralph M. Pruett
6. Karen Redden
7. Ronald A. Sadler
8. Jesse Sharp
9. Jack H. Smythe

WENDOVER

1. Gale Allred
2. Larry L. Dana
3. D.E. Miller
4. J. Kirk Price
5. Robert Sax

RESOLUTION OF THE BOARD OF DIRECTORS

OF

WELLS RURAL ELECTRIC COMPANY

I HEREBY CERTIFY that I am the duly elected Secretary of the WELLS RURAL ELECTRIC COMPANY, a Nevada Corporation, and that the following is a true copy of a resolution duly adopted by unanimous vote of the Board of Directors of said Corporation at a regular meeting of the Board of Directors of said Corporation held in accordance with the By-laws of said Corporation, which meeting was held in the Company Office, in the City of Wells, County of Elko, State of Nevada on the 18th day of April 1969.

RESOLVED: That the revised Power Requirement

Study dated March 11, 1969, after being reviewed by the Board of Directors, was approved as being satisfactory.

IN WITNESS WHEREOF, I have hereunto affixed my name as Secretary of said Corporation and have caused the Corporate Seal of said Corporation to be hereto affixed this 14th day of May 1969.

Clarence C. Swett, Secretary