

WELLS RURAL ELECTRIC COMPANY

Regular Meeting of the Board of Directors

A regular meeting of the Board of Directors of WELLS RURAL ELECTRIC COMPANY was held at the company office in Wells, State of Nevada, at 7:30 o'clock P.M. on the 19th day of May, 1961.

The meeting was called to order by ROBERT R. WRIGHT, President, who presided, and JOHN W. MOSCHETTI, secretary, acted as secretary of the meeting.

Upon calling the roll, the secretary reported that the following directors were present: ROBERT WRIGHT, VENERE DALTON, JIM BALLARD, CHARLES READ, HERBERT UHLIG, CLARENCE SWETT, EYER BOIES, ROGER SMITH, BLAINE SHARP, AND JOHN MOSCHETTI. Absent was ARTHUR GROCK. Also present was Manager GEORGE BLACKETT.

The secretary read the minutes of the last meeting which were approved. President Wright called attention to the fact that the new contract with FRED LIQUIN was supposed to be the same as the original one with the exception that it would be cost plus 100%.

The financial report was given by Manager George Blackett and approved.

George said that he had been unable to make an inspection report on the Harvey Hale application would try to do it in the near future. He said that Clark Torell of the Experiment Station was in to see him and would like a survey and approximate cost outlined for power to the station. Clark would like to cooperate on this project to reduce costs.

The president read a letter from the California Pacific Utilities Company regarding changes on agreement for joint use of poles. The changes appeared to be minor and met with no exception in discussing the agreement; however, motion by Clarence Swett, seconded by Blaine Sharp to accept said agreement failed to carry by a vote of 4-4, with 1 director abstaining and the President refusing to cast the deciding ballot. The Manager was instructed to give the results to our attorney, Bob Vaughan.

The Schedule A-S (Seasonal Residential) was discussed and following motion approved: RESOLVED: That the minimum annual charge shall be \$54.00 where 3 KVA or less of transformer capacity is required. For consumers requiring more than 3 KVA of transformer capacity, the minimum annual charge shall be increased at the rate of \$9.00 for each additional KVA or fraction thereof required. Payment of the minimum annual charge shall entitle a member to the use of the corresponding number of KW hours in accordance with the rate. The annual charge shall be payable in advance on the 1st day of May of each year. The charge for energy used after the conclusion of the established season shall be payable monthly.

The new application agreement prepared by Attorney Vaughan to satisfy the Deeth and O'Neil users was discussed and approved by motion duly made and seconded, with minor changes, as follows: Par. 2 add "agricultural; Par. 8 "under construction for two years", and Par. 11 add "owned, but not included".

Letters from John Myre of Washington and Fred Liquin concerning the status of our loan applications on the O'Neil, Deeth, Wendover and Jiggs-Lee areas was discussed. The application has not been approved to date but in telephone conversations it appears that things are moving well. Upon motion duly made and seconded, the following was unanimously adopted:

RESOLVED: That the B Loan Application in the amount of \$715,000.00 be amended to provide total funds in the amount of \$1,235,000.00 to cover the acquisition and rehabilitation of the Wendover Power and Light Company in the approximate cost of \$200,000.00 and provide service to the Jiggs-Lee area of Elko County in the approximate cost of \$135,000.00.

Charles Read gave a report on the Trailer Court hearing held in Elko recently. These meetings are being held since there have been complaints by occupants of rates charged by trailer court operators. The Public Service Commission does not object to an operator making a profit on his investment but believes the public should not be overcharged. No one from the Wells trailer courts appeared to make any complaint. There are several ways of handling rates and meters to trailer courts but where the occupancy is low it sometimes places a burden on the operator.

James Ballard reported on the trip to Montello attended by himself, George Blackett, Bob Wright, Chuck Read, Ed Slender of the Raft River REA, and 3 board members from that district meeting with Norman Rockwell and Dutch Davidson of the Gamble Development Company. The Gamble Development Company is selling tracts on the Desert south of Montello and would like to be served with power in that area. At present RAFT River REA serves Montello and the motel and cafe south of Montello. They would like to keep service North of the tracks and have us serve everything South of the tracks. At the present time Mr. Rockwell stated that 1922 tracts had been sold and many people plan to come into this area and farm and irrigate with wells. To date not much activity is in evidence. This line would require a sub-station and approximately 20 miles of line. The present rates charged in Montello by Raft River are cheaper than we could furnish power to this area for. No action was taken by the board at the present time.

The Manager reported that the present rental agreement with TV rentals is 10¢ per pole per year and this agreement can be broken in 60 days. No changes were recommended.

No action was taken on application of TV Pix to build 15 miles of line to Spruce Mountain, 3 KVA line with \$180 minimum unless other usage can be found for that area.

Clair Aldous of the Ruby Lake refuge would like individuals to pay their own power bill. No change was recommended as applications were approved as a group by the refuge.

10 Ten applications for membership were approved and made a part of these minutes.

Two survey crews are working on the Wendover line and the O'Neill surveying has been completed.

The following sales promotion plan for the month of July, 1961 was approved: Cash or credit on power bill to be allowed for the following new installations made during July:

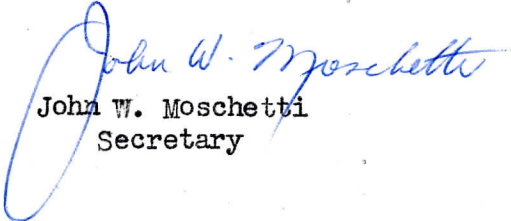
1. Electric Range \$20.00
2. Electric Hot Water Heater, 40 gallon capacity or larger \$15.00
3. Electric Home Freezer \$15.00
4. Electric Clothes Dryer \$16.00.

George said that the REA pump man was here and did not give much encouragement for pumping at the present time, but said that he would be back to check more in detail later.

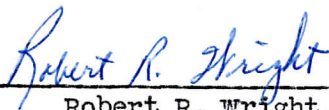
After some discussion it was deemed advisable to write Bob Hogg of the Idaho Power Company to put ourselves on record concerning the fact that on the basis of our 1/4 investment in the transmission line and sub-station we would be reserved the approximate 1/4 capacity of the line without negotiating our contract. Now that costs have been given to us by Idaho Power Company it shows that we have in reality invested 1/3 of the cost of the line so that our power needs should approximate 1/3 of the capacity of the line.

Verne Dalton moved and Chuck Read seconded motion to approve the letter as outlined by Bob Vaughan covering his retainer fee in the amount of \$75.00 monthly.

Adjourned at 10)30 P.M.


John W. Moschetti
Secretary

Approved:



Robert R. Wright, President.

He thought it advisable that our manager have authority to sign small contracts so it would not be necessary to contact a board member each time. Also that some Board Member in Wells should be able to sign checks as present members able to sign all live outside of Wells or are away. Clarence Swett approved to sign checks.

Operating Agreement with Idaho Power Company on their sub station was approved with changes to Paragraph 4 upon motion duly made, seconded and carried.

Nothing has been heard as yet on our Certificate of area to be served and contiguous land as we expand into it without a hearing.

Engineer Fred Liquin gave a report on the surveying being done in O'Neill and Wendover areas. Approval from Washington is expected momentarily and the engineers have done this work on their own to date in hopes the project will be approved.

Charles Read moved and Verne Dalton seconded Motion that we approve the Engineering contract as presented with Associated Engineers contingent upon approval of the loan by REA. Carried.

Upon motion duly made and seconded, the following was adopted:

RESOLVED that the B Loan Application in the amount of \$715,000.00 be amended to provide additional funds to cover the acquisition and rehabilitation of the Wendover Power and Light Company.

The Manager was instructed to attend the public service meeting on Trailer Rentals to be held in Elko on May 16, 1951.

Director Grock stated that customer Jack Blackett in Starr Valley was objecting to \$25.00 minimum being charged. It was agreed that nothing could be done as this was the approved rate for all new ranchers.

Agreed to donate \$50.00 to the Wells Rodeo.

Adjourned at 12:15 A.M.

John W. Moschetti
John W. Moschetti
Secretary

Approved:

Robert Wright

Robert Wright, President

MAY 19, 1961

MEMBERSHIPS FOR APPROVAL:

LEON BILBO
JOHN E. BLACKETT
RONALD L. BOLLINGER
C. R. CROMWELL
NORMAN F. DUDLEY
ELKO COUNTY SCHOOL DISTRICT
MABEL HARRINGTON
TERRY A. MONTGOMERY
BERT C. MUNGER
L. R. WOODWORTH

WRITTEN CONSENT TO TIME AND PLACE OF

SPECIAL MEETING OF DIRECTORS

of

WELLS RURAL ELECTRIC COMPANY

The undersigned being the Directors of Wells Rural Electric Company do hereby unanimously favor and consent to the holding of a Special Meeting of the Directors of the Wells Rural Electric Company to be held at Company Office in the City of Wells, County of Elko, State of Nevada on the 12 day of May 1961 at 8⁰⁰ P.M. of said day and do hereby further waive any and all notices of any kind or nature of said date and place of meeting.

Dated this 12th day of June, 1961.

<u>John W. Moschetti</u>	<u>Vernon Colton</u>
<u>Robert R. Knight</u>	<u>G. G. Dean</u>
<u>Arthur E. Lovick</u>	<u>Richard D. White</u>
<u>James L. Ballard</u>	<u>Lawrence O. Sweet</u>
<u>Walter Smith</u>	<u>Blaine Sharp</u>
<u>Ever N. Boies</u>	