

REGULAR MEETING OF THE BOARD OF DIRECTORS

OF

WELLS RURAL ELECTRIC COMPANY

19 May 1967

A regular meeting of the Board of Directors of WELLS RURAL ELECTRIC COMPANY was held at the Wagonwheel Hotel in Wells, Nevada on May 19, 1967 at 1:00 P.M.

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

Upon calling the roll the Secretary reported the following Directors present; ROBERT R. WRIGHT, C. C. READ, JAMES BALLARD, MATT SMITH, VERNON DALTON, CLARENCE SWETT and RAY CRAWFORD. Absent were ROGER SMITH, TOM ACHURRA, EYER BOIES and ART GROCK.

Also present were Manager Blackett, Power Use Advisor Fred R. Toombs, and a delegation regarding a Community College program consisting of Carl Schuck, Paul Sawyer and Bob Burns, Jr.

Jim Ballard moved that the Community College delegation be added to the Agenda. Seconded by C. C. Read. Passed.

Carl Schuck outlined the purpose of the College. It is to be mainly vocational at first. The College would use the present High School facilities after school is out, evenings and weekends.

Bob Burns described the College in Ontario, Oregon where a school, similar to the one planned in Elko County is in operation.

Paul Sawyer, Finance Chairman of the group, talked on the economic impact on the Community. Program includes White Pine, Eureka, Humboldt, Lander and Elko Counties. Forty thousand dollars will be required to launch the program. State aid will be given later.

The Committee is asking WREC for one thousand dollars.

Tuition will be charged students enrolling.

School will be taken to the students rather than students to school. College Instructors will be used.

Discussion by Board Members generally favored the program as outlined by the Committee.

C. C. Read moved that the matter be approved by Members present but be tabled until the next meeting for a favorable vote. Seconded by Jim Ballard. Passed.

The Federal Power Commission is of the opinion that WREC is entitled to a one or one and one half mill reduction in their wholesale rate with Idaho Power Company. They would like to come to an agreement without a formal hearing.

Rate Study. Mr. Kämpmeier thought that ten consumers in Starr Valley should remain on old rate to avoid increase in annual cost of power.

Regarding the rate study George Blackett pointed out that the proposed commercial rate, in 1966, would have reduced the commercial revenue 20% in April and 13% in August.

C. C. Read proposed that WREC make a statement of objective and policy that one rate be used throughout the system.

Revise minimums upward to \$4.00, possibly, and adjust hardship cases downward to \$1.00.

Matt Smith moved that Manager Blackett write a policy to the effect that rate schedules be directed toward adopting a single rate schedule for the entire system. Seconded by C. C. Read. Passed.

Matt Smith requested that a list of all users with bills of under \$4.00 and those under \$3.00 be brought to the next meeting.

Matt Smith proposed that at the next meeting the elimination of the special charge in Jiggs-Lee area; Starr Valley be put on same rates as other rural areas; and establishing a \$4.00 minimum and hardship clause be considered.

Fred Toombs asked for clarification of the Large Power Schedule. Whether user is required to go on LP Schedule upon reaching 50 KW.

Objective for Community Development report given by Matt Smith Dr. Stein from University of Nevada, Department of Agriculture will be here Wednesday May 24, 1967 at noon at the El Rancho. An economic study is needed by this Community. Suggested getting help from the Department of Economic Development.

Ray Crawford feels that Wendover should be included in any development rather than Wells alone. Matt pointed out that Wendover was included and asked that they send a representative to the Wednesday meeting.

Construction - Nothing new.

Lee Indians - All but three connected.

New Building. Carpet laying delayed because of lack of padding. Manager Blackett will contact Don Griffith for definite information on double glass on new building.

Power Use Report. McKelevie of Western Marble intends to install two diesels for power. Fred will approach him as to future plans.

Tungsten Mill south of town. No action.

Fish Hatchery looks favorable for electric heat in new homes.

New Power Source.

Idaho Power and B.P.A. are nearly in agreement on wheeling agreement according to article in paper. Denied by B.P.A.

Key indicator discussion. Not prepared said C. C. Read.

Vernon Dalton asked for report on employee relations. He asked about special newsletter for employees. Manager Blackett is working on this project.

C. C. Read moved that income from investments be assigned to patronage capital as recommended by R.E.A. This motion to supersede motion in previous minutes. Seconded by James Ballard. Motion passed.

Bob Vaughan advised that Savings and Loan Associations and Banks

Page 2
Board Minutes
19 May 1967

are now insured the same. A depositor in a bank is a Creditor and in a Savings and Loan has a member relationship. Creditors come before Stockholders.

C. C. Read moved that the old balance on Ray Goodwin be written off. Seconded by Vernon Dalton. Motion passed.

R James Ballard moved the eleven new membership applications from Wells and the seven from Wendover be approved. Seconded by Vernon Dalton. Passed.

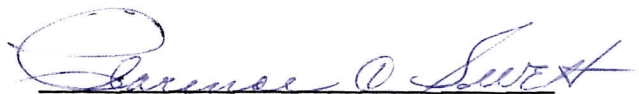
Kampmeier said that it appeared to him that our depreciation expense is too high.

A letter from Attorney Lee Pratt was read by Bob Wright commending Manager Blackett's testimony at the Utah Public Service Commission hearing.

Vernon Dalton asked Manager Blackett about staff attending Board Meetings.

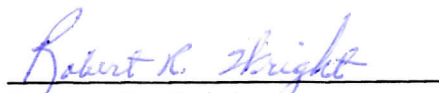
Any Board member asking that a subject be put on the Agenda, should have a letter of explanation as to the reason for the addition to the Agenda, to go out with the Agenda.

Meeting adjourned at 4:30 P.M.



Clarence Swett
Secretary

Approved:



Robert R. Wright
President

WELLS RURAL ELECTRIC COMPANY

WELLS, NEVADA 89835

MEMBERSHIPS TO BE APPROVED MAY 19, 1967

Wells

Gerald A Doren

Harold L. Haney

Francis Gordon Jones

Aubrey Killinger

Robert L. Lloyd Jr.

Herbert P. Michels

Lewis H. Myers

Lawrence E. Prather

Henry Samper Jr.

Raymond Steve Shroyer

Mrs. William F. Tregaskis

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WENDOVER

Don Connell

F. B. Hicks

Robert Homer

Max L. Kyte

Ronald McBride

Donald Mori

Ronnie Schlange

7